FOREIGN
BROADCAST
INFORMATION
SERVICE

Daily Report

Central Eurasia

FBIS-SOV-94-138
Tuesday
19 July 1994

Daily Report
Central Eurasia

FBIS-SOV-94-138 *19 July 1994*

CONTENTS

INTERREGIONAL AFFAIRS

Kozyrev Addresses CIS Foreign Ministers Conference *[ITAR-TASS]* 1
CIS Defense Ministers Meet To Discuss Coordination *[ITAR-TASS]* 1
Approve Collective Security Principles *[INTERFAX]* 1
Discuss Peacekeeping in Abkhazia *[ITAR-TASS]* 1
Yeltsin Envoy Previews Visit to Nagorno-Karabakh *[SEGODNYA 19 Jul]* 2
Eurasian Union Idea Boosted by Kuchma, Lukashenka Wins *[KRASNAYA ZVEZDA 16 Jul]* 2
Integration with Ukraine, Belarussia Viewed *[KRASNAYA ZVEZDA 16 Jul]* 3
ITAR-TASS Carries Press Review for 19 Jul 4

RUSSIA INTERNATIONAL AFFAIRS

Delegation Holds Talks With Croatian Officials *[ITAR-TASS]* 6
Bosnia Peace Plan Said 'Biased' *[KRASNAYA ZVEZDA 17 Jul]* 6
No Intelligence Comment on Ukraine Arms Sales to Croatia *[ITAR-TASS]* 7
Delegation Arrives in Zagreb To Review Peacekeepers *[ITAR-TASS]* 7
Duma Official on U.S. Aid Link to Troop Withdrawal *[ITAR-TASS]* 8
'Tangles of Problems' in Proposed Maneuvers with U.S. *[ITAR-TASS]* 8
Orenburg Opposition Protests Joint U.S Exercises *[NEZAVISIMAYA GAZETA 19 Jul]* 9
UN Envoy Urges Lifting of Sanctions Against Iraq *[ITAR-TASS]* 9
Defense Minister, Large Delegation To Visit Iraq *[Paris AL-MUHARRIR 18 Jul]* 10
Yeltsin Special Envoy Ends Arab Tour *[ITAR-TASS]* 10
Government Sets Conditions for Estonian Troop Withdrawal *[ITAR-TASS]* 10
Churkin To Meet Estonia's Malk on Troop Withdrawal *[INTERFAX]* 10
Grachev on Lack of Support for CIS Peacekeeping Role *[ITAR-TASS]* 11
Chernomyrdin Views International Aspects of Reform *[ITAR-TASS]* 11
Military Equipment To Pay Off Debt to Turkey *[ITAR-TASS]* 11
Turkey To Increase Imports of Russian Gas *[ITAR-TASS]* 12
Soskovets Arrives in Ankara, Views Ties *[ITAR-TASS]* 12
Chubays, Kokoshin Address 'Greater Europe' Talks *[SEGODNYA 19 Jul]* 12
Chirac Urges Full Russian G-7 Membership *[Paris LE FIGARO 18 Jul]* 13
Europe Conference Ends; Chubays Comments *[ITAR-TASS]* 13
Gaydar Party Seeks Accession to EDU Center-Right Union *[ITAR-TASS]* 14
Official Calls for Stronger Ties With Latin America *[INTERFAX]* 14
Panov Meets Canadian Deputy Foreign Minister *[ITAR-TASS]* 14

RUSSIA NATIONAL AFFAIRS

Political Issues

Rutskoy Terms Russian Opposition 'Political Farce' *[ITAR-TASS]* 15
Party Leader Predicts Further Political Tension *[ITAR-TASS]* 15
Yeltsin Amends Law-Drafting Directive *[ROSSIYSKAYA GAZETA 16 Jul]* 15
All-Russia Communists Conference Discusses Unification *[SOVETSKAYA ROSSIYA 19 Jul]* 15

Economic Issues

Yeltsin May Decree Further Privatization *[ITAR-TASS]* 16
Filatov Warns Bankruptcy Difficult But Necessary *[INTERFAX]* 16
Chernomyrdin Urges More Foreign Investment *[ITAR-TASS]* 16
Columnist Views 'Optimistic' Report by Chernomyrdin *[IZVESTIYA 16 Jul]* 17
Yeltsin Edict on Natural Resources of Seas *[ROSSIYSKAYA GAZETA 16 Jul]* 17

Military Issues

North Fleet Exercise To Include Missile Launch *[KRASNAYA ZVEZDA 19 Jul]* 18
Yeltsin To Attend Fleet Exercise *[IZVESTIYA 19 Jul]* 19

Federal Assembly

Duma Condemns U.S. Senate Amendment on Economic Aid *[PRAVDA 16 Jul]* 19
Package of State Development Laws To Be Drafted *[ITAR-TASS]* 20
Deputy Urges More Funding for 'Closed' Cities

[NOVAYA YEZHEDNEVNAYA GAZETA 16 Jul] 20
Federation Council Committee Pessimistic About Harvest *[RABOCHAYA TRIBUNA 19 Jul]* 20

Regional Affairs
'Tension' Escalates in Karchay-Cherkessk *[ITAR-TASS]* 21
Russian-Speakers' Rights Group Set Up in Dagestan *[ITAR-TASS]* 22
Amur Oblast Governor Seeks More Economic Freedom *[ROSSIYSKIYE VESTI 15 Jul]* 22
Minister on Financial Assistance for Kamchatka *[ITAR-TASS]* 22
Pacific Fleet Workers Threaten To Strike *[ITAR-TASS]* 23
Krasnoyarsk-26 Workers Protest Wage Payment Delays *[INTERFAX]* 23
Fuel, Cash Shortages Force Cut in AES Hours *[PRAVDA 15 Jul]* 23

UKRAINE

International Affairs
Treaty With Russia on Friendship To Be Sped Up *[ITAR-TASS]* 24
Agreement Signed Providing Arms for Latvia *[ITAR-TASS]* 24
Military Delegation Attends CIS Defense Meeting *[Kiev International]* 24
Navy To Take Part in Joint Exercise in Black Sea *[UNIAN]* 24

National Affairs
Kuchma Sworn In as President *[ITAR-TASS]* 24
Kuchma 'Exclusive' Interview on Government Composition *[INTERFAX]* 24
Republican Party Leader Denies Cooperation *[UNIAN]* 25
Administration Retains People Loyal to Kravchuk *[IZVESTIYA 16 Jul]* 26
Deputies View Kravchuk Defeat, Kuchma Prospects *[KYYIVSKA PRAVDA 14 Jul]* 26
'Ukrayina' Bloc Leader on Kuchma Election *[KIYEVSKIYE VEDOMOSTI 14 Jul]* 27
Summary of By-Election Candidates *[UNIAN]* 28
Nationalists Call for Unity in Face of 'Danger' *[UNIAR]* 28
Decline in Industrial Production Reported *[INTERFAX]* 29
Crimean Deputy Minister Views Elections *[KRYMSKIYE IZVESTIYA 14 Jul]* 29
Crimean Defense Sector Outlines Prospects *[KRYMSKAYA PRAVDA 12 Jul]* 30
Sevastopol Council Views City Status, Fleet *[KRYMSKAYA PRAVDA 14 Jul]* 30
Deputy Defense Minister on Possible Reshuffle *[INTERFAX]* 31

WESTERN REGION

Belarus
Lukashenka: Economic Draft 'Intentionally Complicated' *[Minsk Radio]* 32
Lukashenka Aide Outlines Program To Combat Corruption *[RESPUBLIKA 14 Jul]* 32
Lukashenka To Seek Approval for 'Antipopular' Steps *[ZVYAZDA 16 Jul]* 33
Lukashenka 'Promising Team' Members Profiled *[TRUD 16 Jul]* 34
Krachenko Hails Belarus' Election to CEI *[ITAR-TASS]* 34
Grodno Border Guard Chief Analyzes Situation, Prospects *[Minsk Radio]* 35

Moldova
Agreement Expected on Russian Troop Withdrawal *[INTERFAX]* 35

CENTRAL ASIA

Kazakhstan
Nazarbayev Continues Reshuffling Committee Chairmen *[Almaty Radio]* 36
Suspended Minister Suspects 'Persecution Campaign' *[INTERFAX]* 36
Foreign Minister Departs for Moscow CIS Meeting *[Almaty Radio]* 36
Efforts To Be Made To Develop Oil, Gas Industry *[Almaty Radio]* 36
Commercial TV Channel Rivals State Television *[GORIZONT 2-8 Jul]* 37

Kyrgyzstan
Akayev Tours Issyk-Kul; Welcomes Kazakh President *[Bishkek Radio]* 37
Akayev Asks Yeltsin To Restore Ostankino Broadcasts *[ITAR-TASS]* 37

Tajikistan
State of Emergency Renewed in Number of Areas *[ITAR-TASS]* 38
New Education Minister Appointed *[Dushanbe Radio]* 38
Regular Parliamentary Session Opens *[ITAR-TASS]* 38

Turkmenistan
President Niyazov Meets Visiting Iranian Oil Minister *[ITAR-TASS]* 38

Uzbekistan
Deputy Premier Meets German Delegation *[Tashkent Radio]* 39
IMF Recommendations on Monetary Policies *[INTERFAX]* 39

CAUCASUS

Armenia
'Active Combat Operations' in Karabakh Reported *[Yerevan International]* 40
National Democrat Leader Critical of Authorities *[SNARK]* 40
Russian Citizens Held in Azerbaijan Camps *[RESPUBLIKA ARMENIYA 15 Jul]* 40
Tehran's Armenian Bishop Protests Killings *[RESPUBLIKA ARMENIYA 15 Jul]* 40

Azerbaijan
Agreement With Russia Postponed Over Debt Dispute *[TURAN]* 41
Nagorno-Karabakh Military Against Turkish Peacekeepers *[RESPUBLIKA ARMENIYA 12 Jul]* .. 41
Aliyev Seeks Support of Islamic States *[RESPUBLIKA ARMENIYA 14 Jul]* 41
U.S. Envoy Comments on CSCE Peace Process *[RESPUBLIKA ARMENIYA 14 Jul]* 41

Georgia
CIS Peacekeeping Group Sent Into Kodor Gorge *[ITAR-TASS]* 42
Shevardnadze Says Adzharia Causes No Concern *[ITAR-TASS]* 42

BALTIC STATES

Estonia
Foreign Minister on Signing EU Free Trade Pact *[Tallinn Ministry of Foreign Affairs]* 43
Foreign Ministry Official To Meet Churkin in Finland *[BNS]* 44
Unemployment Rate Drops to 2.12 Percent *[BNS]* 44

Lithuania
Landsbergis Urges Support for Estonia in Troop Pullout *[Vilnius Radio]* 44
Kaliningrad Corridor Issue Divides Parties *[IZVESTIYA 16 Jul]* 45

Kozyrev Addresses CIS Foreign Ministers Conference

LD1907091394 Moscow ITAR-TASS World Service in Russian 0830 GMT 19 Jul 94

[By ITAR-TASS diplomatic correspondent]

[Text] Moscow, 19 Jul—The formation and development of the Commonwealth of Independent States has entered a new phase - Russian Foreign Minister Andrey Kozyrev recorded this fact to begin his speech as chairman of the conference of the heads of the CIS foreign policy establishments. The conference began today at the House of Receptions in Sparrow Hills.

The Russian minister said the main item on the agenda is to discuss the long-term plan for the development of Commonwealth integration. Initiatives recently put forward to strengthen the CIS will also be debated.

CIS Defense Ministers Meet To Discuss Coordination

LD1807135594 Moscow ITAR-TASS World Service in Russian 1256 GMT 18 Jul 94

[By ITAR-TASS correspondent Vladimir Gondusov]

[Text] Moscow, 18 Jul—A meeting of the defense ministers of the CIS states held today has examined the peacekeeping operation in the Georgian-Abkhaz conflict zone. The session opened at the military coordination headquarters this afternoon.

Deputy Russian Defense Minister Boris Gromov, who is chairing the session today, announced that Russian Defense Minister Pavel Grachev was unable to attend the session because he is having a meeting with the Russian president today. The Russian defense minister will chair the conference tomorrow.

General Gromov pointed out that the heads of nine defense ministries have arrived for the session, while three countries—Ukraine, Turkmenistan, and Moldavia [Moldova]—are represented by observers. In addition to discussing the problem of the activities of the blue helmets in the Georgian-Abkhaz conflict zone, the session analyzed the states' possibilities in terms of providing engineering, technical, and financial support for the peacekeeping actions, and the problems of the training and instruction of military and civilian personnel to take part in these actions.

Colonel General Viktor Samsonov, chief of staff for the coordination of military cooperation among the CIS states, stressed in conversation with journalists that the sides' points of view on participation in peacekeeping actions, in particular in the Georgian-Abkhaz conflict zone, do not coincide. Some defense ministers, Gen. Samsonov emphasized, are insisting that the heads of state should first of all declare their position on a political settlement of the problem at issue.

The work will be continued tomorrow, and on Wednesday the defense ministers will hold a joint session with the foreign ministers of the CIS states.

Approve Collective Security Principles

LD1807193594 Moscow INTERFAX in English 1753 GMT 18 Jul 94

[Text] The defense ministers of the former Soviet republics which have signed the Collective Security Treaty of the Commonwealth of Independent States (CIS) have on the whole approved basic collective security principles.

The principles are recorded in a document which was passed by the ministers at a meeting in Moscow on Monday and will be put before a future meeting of Commonwealth heads of state, according to Colonel-General Viktor Samsonov, head of a coordination committee for CIS military cooperation.

The document says the treaty signatory states can use all means at their disposal to ensure collective security, giving priority to nonviolent methods.

As the principal sources of war danger the document names territorial claims by other countries, local wars and armed conflicts in close proximity to treaty signatories' borders, and the spread of nuclear and other mass destruction weapons.

The task of Russia's strategic nuclear forces is to prevent aggression against treaty countries in accordance with Russia's military doctrine.

The supreme political body for the treaty states is the Collective Security Council, for which the Council of Ministers of Foreign Affairs and the Council of Ministers of Defense will be consultative bodies.

Samsonov said that Monday's meeting had accepted Belarus's demand for changing the passage in the document saying that the member states are forming a "defense union," and Azerbaijan's proposal for denying membership in the collective security system to a country which is in a state of war.

The general said the meeting had decided that "peacekeeping operations in the CIS should be based on a regional principle: in Tajikistan they should be carried out by the Russian Federation, Kazakhstan, Uzbekistan and Kyrgyzstan. In Abkhazia, it should be the Russian Federation, Ukraine, Armenia and Azerbaijan." But "the mechanism to enforce this principle will be very complicated," Samsonov said.

Discuss Peacekeeping in Abkhazia

LD1807161894 Moscow ITAR-TASS World Service in Russian 1526 GMT 18 Jul 94

[By ITAR-TASS correspondent Vladimir Gondusov]

[Text] Moscow, 18 Jul—The defense ministers of the CIS states expressed support today for the peacekeeping

operation in the zone of the Georgian-Abkhaz conflict. They met this afternoon at the headquarters for the coordination of military cooperation. According to Boris Gromov, Russia's deputy minister of defense, the problem of deploying "blue helmets" in the region was discussed from all angles. The ministers were critical of the document drafted for their meeting and amendments were made. "Nobody is against the idea of helping, but each country's involvement must be commensurate with its economic position," Boris Gromov stressed. He expressed hope that on Tuesday the defense ministers will sign the document, which will be submitted to heads of state in September.

Asked by ITAR-TASS whether the fact that a number of CIS countries, including Russia, have signed NATO's Partnership for Peace program will affect the establishment of a CIS system of collective security, Boris Gromov noted that involvement in the NATO program was "no impediment to our own internal matters." In his view, signing of the Partnership document does not signify membership of the bloc, only cooperation with it.

Tomorrow the defense ministers will continue their work, and on Wednesday they will hold a joint meeting with the CIS foreign ministers.

Yeltsin Envoy Previews Visit to Nagorno-Karabakh

MK1907081094 Moscow SEGODNYA in Russian 19 Jul 94 p 2

[Report by Leonid Velekhov in the "Peacemaking" column: "The Cease-fire Is Not Being Used Effectively Enough. The Russian Federation President's Special Representative on Nagorno-Karabakh Again Goes to the Region"]

[Text] According to INTERFAX, Vladimir Kazimirov, the Russian president's special representative on Nagorno-Karabakh, will go to Baku this week to continue consultations on a draft agreement on settling the Armenian-Azerbaijan conflict. In a conversation with SEGODNYA's correspondent Kazimirov confirmed this information, specifying that he is planning to visit not only Baku but also Yerevan and Stepanakert. He expressed his satisfaction with the fact that the cease-fire has been generally observed by the sides for two months now. This, however, exhausts the positive results of the cease-fire, according to Kazimirov. The time of the respite has not been used effectively enough. All three parties to the conflict are wasting it on tactical maneuvering, mutual recriminations, and attempts to play on discrepancies in the positions of Russian representatives and Western participants in the Minsk CSCE group. Neither Baku, Yerevan, nor Stepanakert understands that if tomorrow the cease-fire is thwarted while no political agreement has been reached, the entire work will have to be started from scratch.

Meanwhile Russia has prepared a fundamental draft agreement containing 16 articles, a diversified set of addenda, a time frame for a troop withdrawal, and so forth. In the opinion of the Russian president's representative, there is no alternative to the Russian draft, and attempts to produce one, made by some Western participants in the Minsk group, impede the working out of a coordinated decision.

In Kazimirov's expression, the draft agreement is gradually moving toward the "Palestinian formula:" land in exchange for security, considering that the main demand by the Armenians is the security of the citizens of Nagorno-Karabakh; and by the Azerbaijanis, the return of territories captured by the Armenians. The rapprochement of the conflicting sides, however, is proceeding extremely slowly: All three parties to the talks are inclined toward a sudden change or revision of their positions.

Eurasian Union Idea Boosted by Kuchma, Lukashenka Wins

MM1807133794 Moscow KRASNAYA ZVEZDA in Russian 16 Jul 94 p 2

[Article by Anatoliy Ladin and Aleksandr Pelts: "Where Stalks Specter of Eurasian Union? Nursultan Nazarbayev's Idea Still at Center of Politicians' Attention"]

[Text] The Alma-Ata [Almaty] meeting of the heads of state and government of Kazakhstan, Uzbekistan, and Kirghizia [Kyrgyzstan] (8 July this year) prompted Askar Akayev to state that the idea of a Eurasian Union has already begun to be implemented. The Kirghiz president was obviously referring above all to the agreement reached in Alma-Ata on the creation of an international council (comprising the presidents and prime ministers of Kazakhstan, Kirghizia, and Uzbekistan) whose structure will also include councils of prime ministers, foreign ministers, and defense ministers. A working organ—an Executive Committee aimed at coordinating and monitoring implementation of documents relating to the creation of a unified economic, defense, cultural, and common political space between the three states—is also being set up. The heads of government also signed an agreement on military-technical cooperation. As was stated at the press conference, this will make it easier for the three states' military-industrial complex to win orders and sell their defense output.

All three presidents claimed that the desire to pool the efforts of Kazakhstan, Kirghizia, and Uzbekistan in overcoming the economic crisis and expanding ties does not run counter to the aims of the CIS but, on the contrary, actually embodies them. So Alma-Ata may have been the starting point for a new line of integration within the CIS framework. But what are the prospects for it?

There is as yet no unambiguous answer to this question. We already know that, on the whole, the idea of the Eurasian Union has been supported by Boris Yeltsin. He has expressed his views about its practical implementation. But the Eurasian Union idea is particularly topical

in the context of important new political events—the replacement of the leaders of Belorussia [Belarus] and Ukraine. The new presidents' views could ultimately be decisive.

Integration with Ukraine, Belarussia Viewed

MM1807121994 Moscow KRASNAYA ZVEZDA in Russian 16 Jul 94 p 2

[Article by Aleksandr Golts: "Ukrainian and Belorussian Presidents Win Mandate of Confidence. Exercising It Will Take Strength and Willpower"]

[Text] Comparing the post-Soviet area to a unified organism that has broken down into different parts and lamenting this fact (sometimes sincerely, but sometimes speciously) have become frequent occurrences of late, when many parts of the former USSR are suffering from the inevitable hangover induced by a distorted sense of independence. Now that the peoples of Ukraine and Belorussia [Belarus] have given those they have elected president an obvious and clear mandate for reintegration, there is hope that we will all be able to create some kind of new association which will allow all its participants to develop.

But the experience of the post-Soviet years shows that the best way to destroy an undoubtedly positive idea—be it the idea of democracy or of independence—is to decide that if it is acceptable to both peoples, it will come about by itself. That is the case with integration too. After all, just putting a torn fabric back together by no means always results in an integrated whole. Let us be frank—the period of almost three years since the Belovezhskaya Forest meeting has left its mark. And if the question of closer ties than those which exist in the CIS is really put on the agenda, their organization will by no means be painful.

In my view, the main thing today for Moscow, Minsk, and Kiev is to decide just what specifically they mean when they talk about reintegration. After all, it is different ideas of the aims and tasks of the CIS on the part of our countries' leaders (some seeing it as a chance to preserve everything positive accumulated during the Soviet years, others seeing it merely as a device for a civilized divorce) that have made this a not particularly effective association.

The same thing could happen to the new ideas about integration. If we proceed on the basis of the election programs of Leonid Kuchma and Alyaksandr Lukashenka, we can be said to be dealing with more or less definite intentions. They could in principle be used to organize any policy, including the policy followed by their predecessors. And that is no accident. Our countries, which are going through economic crises—caused, among other things, by the breakdown in economic links and the loss of markets—are simply preordained to restore their ties. And this should be done irrespective of who occupies the presidential residence. The entire question is just how it should be done.

Let us be frank, restoring mutually advantageous economic ties is currently just a political slogan. In practice it is a highly complex balance of priorities and interests. For instance, the paramount vital interest of Ukraine and Belorussia is obvious. This is to obtain from Russia sources of energy cheaper than those available on the world market. But Russia's interest is not so obvious. Our production slump has brought about a crisis in sales of enterprise output. Quite simply, our industry produces costlier and lower-quality output than is available abroad. In an attempt to protect its own producers, Moscow is creating concessions for them (which is causing a lot of controversy). If we are talking about simple production sharing or expanding commodity turnover, then Russia—insofar as I understand it—will have to indirectly subsidize inefficient production in Ukraine and Belorussia as well.

And this despite the fact that the two republics' leaders have views of reform that are very different from those of Moscow. So if we are talking seriously about economic union, we need to agree on the overall concept for reforming our economies. After all, talking about the advantages of integration, the EU, which people in our country love to refer to, was able to be established when the economic situation in the West European states had evened out somewhat. But the economies of our three republics are so far functioning on the basis of fundamentally different rules.

It is this fact rather than nationalistic idiocy that has led to the emergence of all these customs posts, entry and exit regulations, and all the other things that so annoy the peoples of all our states. But if we continue to make economic progress not only at different speeds but in different directions—as is the case at the moment—the customs posts will never disappear. Since they are an attempt by the state to regulate inequalities in development and distribution between neighboring states.

It is another matter if we manage to reach agreement on the overall concept of reform. Within this framework programs would be elaborated in which interstate cooperation would make goods produced in the three republics competitive on the domestic and world markets. And it is not just a question of supplying components. The contribution of Ukraine and Belorussia could be special privileges in the use of Black Sea or Baltic ports, preferential transit regulations, and much else besides.

But there is one "but"—and one which, incidentally, the EU encountered as well. Any integration leads to a certain amount of sovereignty being transferred to suprastate organs. And this annoys those who are accustomed to thinking in terms of absolute independence. Yet the more effective integration is, the less room there is for notorious separatism. Let us not forget that optimizing the economy will unambiguously require not only the elaboration of unified approaches in the sphere of financial activity and production relations, but also in defense, security, and foreign policy. After all, deciding each time what weapons to buy where, where to deploy

troops and to what end, what maneuvers to participate in, and whom to apply sanctions against should be agreed with those with which we have a common economic interest.

But we are talking about areas where until recently Kiev and Minsk had sought and found symbols of their own sovereignty (we would recall merely the unfinished saga of the division of the Black Sea Fleet). But whether the new representatives of the Belorussian and Ukrainian elites, who have only just gained access to power, will agree to coordinate not only the level of interest rates and the size of the money supply, but also 2ilitary programs and participation in certain international programs remains an open question.

And this question—of striking a balance between sovereignty and commitments within a union—has not been unambiguously resolved either by France, Britain, or a number of other West European states. As for our three states, the real potential for integration will not be evident before all its conditions are clearly and precisely spelled out. And that is work that needs to be expedited, not least by Russia.

ITAR-TASS Carries Press Review for 19 Jul

LD1907061894 Moscow ITAR-TASS in English 0514 GMT 19 Jul 94

["Press Review"—ITAR-TASS headline]

[Text] Moscow July 19 TASS—ROSSIYSKAYA GAZETA on the process of withdrawal of Russian troops from Estonia following the recent decision of the U.S. Senate:

If diplomatic protocol is cast aside, it turns out that it has been suggested that Russia withdraw its remaining military units from Estonia by August 31 at all costs, ignoring both the future of Russians, who remain in Estonia, and property-related issues in Russo-Estonian relationships.

Estonia at one time joined the Helsinki act, the Council of Europe and the Charter of Paris for a new Europe. All these documents seal the rights of all people inhabiting this or that country, the rights which are not dependent on their religion, nationality, etc.

Max Van der Stoel, CSCE high commissioner for ethnic minorities, after repeated visits to Estonia, sent a message to President Lennart Meri, pointing out specific instances of discrimination against the Russian-speaking population and recommended that the Estonian legislation be brought into line with international legal norms. But CSCE high commissioner's main critical remarks and recommendations have remained unimplemented.

ROSSIYSKAYA GAZETA on an enlarged meeting of the Russian Government on July 15:

"The reform process now depends on the concerted actions of the government, parliament and regional administrations". However, the government meeting ended without any decision: The cabinet remained of the same opinion while regions stuck to their own views.

RABOCHAYA TRIBUNA carries an interview with Premier Viktor Chernomyrdin who said "We have drawn up a lot of projects in all sectors. It is essential now to solve the main thing: How to set the investments mechanism into motion".

NEZAVISIMAYA GAZETA on the fate of the nuclear-powered submarine Komsomolets which sank in the Norwegian Sea on April 7, 1989:

"The opinions of our and foreign experts and scientists are identical: There has been not radiological disaster. Water, soil and plankton samples taken near the submarine's foremost part, where nuclear charges are located, confirmed an insignificant release of strontium and cesium in amounts which are below maximum permissible concentrations".

NEZAVISIMAYA GAZETA on opposition protests against Russia-U.S. joint exercises in Orenburg region:

"Russian soldiers cannot learn anything good from Americans" is the opinion expressed by many participants in Monday's meeting in Orenburg between a State Duma parliamentary delegation and representatives of the region's parties and movements.

The opposition representatives expressed a protest against Russia's participation in the joint exercises at the Totskiy proving ground together with Third U.S. Infantry Division soldiers who, the protesters stated, "stained themselves with blood spilled in Korea, Vietnam and Angola".

ROSSIYSKIYE VESTI reports on the consolidation of the non-state sector of the economy:

"The non-state sector of the economy, which accounted for 56 percent of the country's gross domestic product in the first half of 1994, as against 52 in 1993, has consolidated its position while Russia's export in the first half of this year ran at 21,300 million U.S. dollars and exceeded the corresponding indicator last year by 10.4 percent".

ROSSIYSKIYE VESTI carries an interview with Tatarstan President Mintimer Shaymiyev who emphasised that "the most valuable thing in our treaty with Russia is the crossing of a certain political Rubicon, after which Russia ceased to be a unitary state. This the beginning of the establishment of a normal democratic federation".

KOMSOMOLSKAYA PRAVDA on criminal gang shoot-outs:

"Twice as many Russians were killed in criminal gang warfare last year than over the nine years of the war in Afghanistan.

"The year 1993 saw the confiscation of 1,677 carats of uncut and polished diamonds (another 220 carats were added to the amount over the first half of 1994), 49 kg of platinum, 253 kg of gold and 1,660 kg of silver in connection with criminal cases. Police detained more than 200 people who made a living out of illegally obtaining and selling the valuables."

KOMSOMOLSKAYA PRAVDA runs remarks by Presidents Alyaksandr Lukashenka of Belarus and Leonid Kuchma of Ukraine.

Lukashenka:

"The industry of Belarus possesses a sufficiently high intellectual, production and engineering potential. I am confident that the republic can compete on CIS markets provided there is parity in the prices of energy resources and raw materials. This, actually, must be viewed as a strategic goal of economic reforms in Belarus".

Kuchma:

"We live as if in a cave. Parochial laws of a barbarian market operate at the local level, with the 'might is right' rule predominating, not to mention corruption. It is essential to combat it. 'It is not my business' principle will continue to dictate how to act until we convince people of our sincerity and of the fact that power is not for the benefit of leaders but is for the sake of the people".

TRUD carries an interview with Russian Vice-Premier Sergey Shakhray, leader of the Party of Russian Unity and Accord, who stated that "the government will not allow developments to run out of control, and will do everything to provide the far north with vitally essential goods and food".

KRASNAYA ZVEZDA (Red Star) runs an interview with Lieutenant General Gennadiy Radionov, chief of the Defence Ministry's directorate for the training of personnel and military education establishments, who dwells on the tasks facing his agency:

"The main thing now is to carry on the military education reform, to pursue an integrated state policy, and place common demands upon the training of officers in accordance with state and educational standards"

SOVETSKAYA ROSSIYA runs excerpts from ex-Soviet parliament speaker Ruslan Khasbulatov's book entitled "A Great Russian Tragedy" about the Russian "White House drama".

Delegation Holds Talks With Croatian Officials

LD1807165494 Moscow ITAR-TASS in English 1631 GMT 18 Jul 94

[By ITAR-TASS correspondent Andrey Naryshkin]

[Text] Zagreb July 18 TASS—"The main purpose of the visit to Croatia by a delegation of the Russian Federation Council is to attend discussions on the continuation of a mandate of U.N. peace- keeping forces which incorporate two Russian battalions. This problem will soon be discussed by Russian lawmakers," said leader of the Russian delegation to the talks, Deputy Chairman of the Federation Council Valeryan Viktorov, during his talks with the Chairman of the Croatian Parliament Nedeljko Mihanovic. "We want to check whether resolutions on the Russian peace-keeping contingent adopted by the Federation Council are being complied with," Viktorov said, adding that the delegation is scheduled to visit Russian "Blue Helmets" in Sarajevo and hold talks with the U.N. special envoy Yasushi Akashi to be followed by a trip to Belgrade.

For his part, Mihanovic informed representatives of the Russian Parliament about the approaches of the Croatian authorities to the problem of U.N. peace-keeping forces, whose mandate expires on September 30. He said that Zagreb insists on broadening the powers of "Blue Helmets" in Croatian regions predominantly populated by Serbs. Mihanovic suggested that his partners at the talks assume an objective position towards Serbia and Croatia, adding that this would promote the normalisation of relations between Belgrade and Zagreb. Chairman of the Croatian Parliament pointed out that the "key to the solution of this problem" is in Belgrade and positively assessed Russia's participation in the work of this international "Contact Group" which is making efforts to find a way out of the crisis.

Viktorov emphasised that Russia, which is facing similar problems, can understand Croatia's position better than any other country. He expressed the hope that a Croatian delegation will pay a visit to Moscow in return.

On the same day, the Russian lawmakers held talks with the chief of staff of the Croatian Armed Forces, General Yanko Bobetko. The Croatian military commander outlined his views on the history of the Yugoslav crisis, tasks and the structure of the National Army and expressed his gratitude to the Russian ambassador to Croatia, Leonid Kerestedzhiyants, who accompanied the delegation for "his extreme politeness and highly conscientious attitude to his duties."

Bosnia Peace Plan Said 'Biased'

MM1907084194 Moscow KRASNAYA ZVEZDA in Russian 17 Jul 94 p 3

[Article by Sergey Sidorov: "Bosnian War at the Crossroads. Will Serbs Accept 'Contact Group's' Terms"]

[Text] The Bosnian sides are due to announce their decision as to whether or not they accept the latest Bosnian peace plan to the "contact group," comprising representatives of the United States, the countries of the European Union, and Russia, Tuesday [19 July].

The fruit of joint efforts by the "trio's" foreign ministers—a map showing the future borders of the union designed to unite the Croats and Muslims with the Serbs in a single Bosnian state, along with the union's draft constitution—has been in the hands of the parties to the conflict for two weeks. Despite disagreeing with certain points of the plan, Croat and Muslim leaders have already expressed willingness to accept it and demanded that the "trio" put "pressure" on the Serbs in order to get them too to subscribe to the plan.

In the event of all three conflicting sides agreeing to the plan, NATO is prepared to send an army of 50,000 to Bosnia to ensure the plan's implementation. In turn the UN Security Council will adopt a decision regarding the stage-by-stage lifting of sanctions against the Federal Republic of Yugoslavia [FRY] (Serbia and Montenegro). In the event of its being rejected (in this case I am talking about the Serbs), it is planned to tighten up the sanctions against Belgrade, and massive arms shipments to the troops of the Croat-Muslim coalition may be legalized.

The Bosnian Serb Republic parliament's decision will become known after this issue has been printed—it is to meet in Pale Monday [18 July]. However, right up until the last moment experts were not confident that the Serbs would accept the plan. The main arguments that the Serb side is putting forward against the plan and the counterarguments presented by the "contact group," based on the text of a special press release that the Russian Foreign Ministry sent to Russia's central newspapers, are given below.

1. The plan does not envisage an opportunity for the Serbs to leave the union or form a confederation with the FRY.

—The possibility of their leaving is revealed in the draft constitution. This will be possible following a definitive decision on the fate of Sarajevo.

2. The Serbs are unhappy with the decision regarding the "Serb corridor," particularly at its narrowest point (the Brcko region). They believe that their freedom of movement down the corridor will not be guaranteed.

—The territory of the "northern corridor" was forcibly cleared of Croats and Muslims living there. Nonetheless the Serbs have been given a 3-4 km band for the free transportation of freight between the eastern and western parts of Serb territory. A totally demilitarized zone under the control of UN forces has been set up in the narrow part of the corridor on Muslim territory. The Serbs can use this route to deploy troops and military hardware.

3. The Serbs are unhappy with the ratio for the division of territory—51 percent to the Croats and Muslims and 49 precent to the Serbs—saying that they had held 64 percent of the territory.

—The Serbs themselves accepted this territorial demarcation when they agreed to surrender one-third of the land to the Muslims and another 17.5 percent to the Croats.

In the view of Russian Foreign Ministry experts, the peace plan is in the interest of all the Bosnian sides. The Croats and Muslims obtain a compact territory, an outlet to the sea and the Sava River. The territorial integrity of Bosnia-Herzegovina is preserved as a single state within the form of a union of two of its present parts—the federation and the Serb Republic. The Serbs obtain the equal status of a people within the union and the prospect of preserving their own state within the union framework, and subsequently of forming a confederation with the FRY.

Independent and military experts are less optimistic. First, there is no real balance of interests of the conflicting sides in the plan—the confederation of Bosnian Croats and Muslims with Croatia is already a fact, one that is moreover guaranteed by the United States, while the Bosnian Serb confederation with the FRY is just a possibility that depends on the decision on Sarajevo. Any specialist on the former SFRY knows that Sarajevo is the central and most difficult problem in the Bosnian conflict and consequently the implementation of the "Serbs' equal right" to a confederation with the FRY is being postponed indefinitely, with moreover a balance of forces that is clearly detrimental to the Serbs.

Second, the introduction of a large number of NATO troops in Bosnia may subsequently amend the "trio's" concept regarding the pacification of Bosnia. Massive Western military intervention is something that the Croats and Muslims have striven to achieve since the start of the conflict. Having concluded that the West is biased (particularly after the NATO bombings in the Gorazde region), the Serbs, on the contrary, take an extremely negative view of the increase in NATO's military presence. This primarily applies to what is for them the sensitive corridor issue. If the corridor is controlled by NATO troops, the Serbs will hardly be able to seriously rely on military freight having freedom of movement down it.

The plan's main flaw lies in the fact that the plan is just as biased as the previous ones on the nationalities issue—central to the Yugoslav conflict. While the Muslims and Croats are exercising their right to self-determination, the same right remains unrealized for the Serbs in Bosnia and Croatia. And this may be sufficient reason for the continuation of the military conflict.

Exactly 87 years ago—20 July—a delegation of the Yugoslav peoples of Austria-Hungary led by the Croat Ante Trumbic came to the Greek island of Corfu to reach agreement with their blood brothers in Serbia and Montenegro regarding the creation of a common state —the Kingdom of Serbs, Croats, and Slovenes. How will the date 20 July 1994 go down in recent Yugoslav history? Will it be a step toward the reintegration of the post-Yugoslav area or will it remain an ordinary page in the calendar of the bloody conflict? Russian journalists in Belgrade and local observers think that the Bosnian Serb parliament's answer will be "Yes, but...."

No Intelligence Comment on Ukraine Arms Sales to Croatia

LD1807161694 Moscow ITAR-TASS in English 1545 GMT 18 Jul 94

[By ITAR-TASS correspondent Yuriy Shcherban]

[Text] Moscow July 18 TASS—Russian intelligence representatives refused to comment on the Belgrade media reports which have alleged that Ukraine sold weapons systems to the Croats in the former Yugoslavia. "The Russian Foreign Intelligence Service cannot comment the report in the Belgrade press about Ukrainian weapons deliveries to Croatia, since we have absolutely no connection to the given topic", ITAR-TASS was told by the Intelligence Service's Public Relations Bureau.

The Belgrade newspaper "EVENING NEWS" reported on Monday that Ukraine had secretly sold Croatia the powerful "S-300" anti-missile system, which is reputed to be more modern and effective than its American "Patriot" counterpart. The paper cited Russian intelligence sources. The article, in particular, indicates that the anti-missile system has already been deployed near Zagreb.

Delegation Arrives in Zagreb To Review Peacekeepers

LD1807154494 Moscow ITAR-TASS in English 1445 GMT 18 Jul 94

[By ITAR-TASS correspondent Andrey Naryshkin]

[Text] Zagreb July 18 TASS— A Russian Federation Council delegation, headed by Deputy Chairman of the Upper House of the Russian Parliament Valeryan Viktorov, arrived in Zagreb on Monday. The delegation, which also includes high-ranking Russian Defence Ministry officials and diplomats, is on a fact-finding mission to ascertain the service conditions of the Russian peacekeeping forces deployed in Zagreb.

The delegation is meeting today with the leadership of the Croat Sabor (parliament), as well as with the head of the general staff of the Croatian Army, General Janko Bobetko. The delegation's itinerary also includes a two-day visit to two Russian battalions, which are posted outside Osijek and Sarajevo, and also talks with the commander of the U.N. peacekeeping force in former Yugoslavia.

After the completing the Croatian-Bosnian part of this mission, the delegation is expected to fly to Belgrade on Wednesday [20 July].

Duma Official on U.S. Aid Link to Troop Withdrawal

LD1807143194 Moscow ITAR-TASS in English 1350 GMT 18 Jul 94

[By ITAR-TASS correspondent Pavel Kuznetsov]

[Text] Moscow July 18 TASS— A decision adopted by the U.S. Senate linking American aid to Russia with the withdrawal of Russian troops from Estonia "is either the lack of political shrewdness or provocation," Vladimir Lukin, chairman of the Duma committee for international relations, said in an interview with ITAR-TASS on Monday.

Lukin believes that this decision might cause "sharp deterioration of Russo-American relations or urge Russia to raise the level of its obstinacy" at talks with Estonia.

"If this decision turned out to be provocation intentionally or unintentionally, this was the result of someone's ill will" Lukin said. "We should not make much ado because of this, but this lowers the chance of the realisation of Russo-Estonian agreements until August 31," Lukin said.

'Tangles of Problems' in Proposed Maneuvers with U.S.

LD1807194694 Moscow ITAR-TASS in English 1920 GMT 18 Jul 94

[by ITAR-TASS correspondents Nikolay Goncharov and Anatoliy Yurkin]

[Text] Orenburg July 18 TASS—The problems connected with the plans of conducting joint Russo-American military exercises on the Totsk proving ground are remaining open.

Yet another attempt to find a reasonable compromise in this issue was made by a group of the State Duma deputies headed by Chairman of the Duma Committee for Defense, Sergey Yushenkov. For two days deputies familiarized themselves with the current situation in the city of Orenburg and the region, visited the proving ground, met with representatives of the authorities, the public and military specialists.

According to Nikolay Bezborodov, deputy head of the Russian State Duma Committee for Defense, the planned joint military exercises should be postponed for an indefinite time taking into account the complex social and political situation in the region and in many respects a negative attitude to the idea of the joint exercises.

"Tangles of problems have arisen here, in the Orenburg region which have been sounding open today," Nikolay Bezborodov told ITAR- TASS commenting on the results of the trip there.

"It is impossible to ignore also the fact that the majority of deputies of the local legislature and the population spoke against the joint Russo-American military exercises. The Russian State Duma, the Defense Ministry and the whole government should pay attention to this viewpoint in order to make a wise decision," the Russian parliamentarian pointed out.

Valeriy Grigoriev, chairman of the Orenburg regional legislative body, regards the plans of holding joint military maneuvers on the Totsk experimental range as the continuation of the "practice of ignoring regions' views. Regions in such cases are presented with a fait accompli. Therefore, it is quite natural that the supreme representative body did not agree with such a dictate from the center and opposed the plans of conducting the joint Russo-American military exercises," Valeriy Grigoriev emphasised.

The second point, he said, is that "the implementation of operations of this kind should presuppose providing of incentives for social and economic structures in the region, for instance, house building for servicemen, construction of highways, financing of works on the preparation of various objects for a winter, etc. However, we see nothing of the kind, and consider the joint military exercises on these terms irrelevant," Valeriy Grigoriev noted.

Military exercises on the Totsk proving ground "should be conducted but without participation of Americans," deputy of the State Duma Georgiy Lukava said. "The social and political situation in the region being as it is, the stationing of American troops in the Orenburg region may have unpredictable consequences," he stressed.

According to the deputy, today's picketing of the building of the local legislature and the regional administration with the demands by public organizations not to allow the joint military maneuvers near Totsk is "an alarming signal of social troubles in society and characterizes the people's attitude to the planned exercises".

"The joint military exercises of Russian and U.S. troops," Georgiy Lukava believes "may have a wide public response in the neighboring republics of the Volga region and in Kazakhstan. The planned large-scale operations are already now causing a wave of political rumors with a number of parties and public movements trying to express the people's views and pursuing their own corporate aims which have nothing to do with Russia's national interests," the parliamentarian stressed.

On the eve of the visit of the State Duma delegation, the forecasts of the possibility of the military exercises were much more optimistic.

Before his flight to the Orenburg region, Sergey Yushenkov told ITAR-TASS that he was for conducting Russo-American maneuvers of peacekeeping forces, although somewhat later. The chairman of the Duma Committee for Defense was bewildered that there were so many rumors and guesses about the joint exercises, in particular a "great number of tanks, aircraft and artillery" to be involved in them.

The Russian military responsible for the preparation for the maneuvers, specifically Colonel-General Eduard Vorobiyov, deputy commander-in-chief of the ground forces of the Russian Federation, believes that the exercises on the Totsk proving ground will "help Russia evade losses in peacekeeping operations".

According to the colonel-general, the beginning of the maneuvers is "impeded by the one-sided coverage of the exercises and political manipulations by some parties which are not interested in the preparation of Russian troops for peacekeeping operations".

Initially, the joint maneuvers were scheduled for July 6-14. However, in connection with the State Duma's appeal to the Russian president on the inexpediency of the exercises, the head of state recommended the Russian Defense Ministry to hold additional consultations with the American side and again consider this issue later "taking into account positions of Russian lawmakers and the attitude of the public to them".

Orenburg Opposition Protests Joint U.S Exercises

MK1907071094 Moscow NEZAVISIMAYA GAZETA in Russian 19 Jul 94 p 1

[POSTFACTUM report under the "In Brief" rubric: "Against Russian-American Exercises"]

[Text] "Russian soldiers cannot learn anything good from the Americans." This sort of view was voiced by many participants in yesterday's meeting in Orenburg of a State Duma parliamentary delegation and representatives of the oblast's parties and movements. The opposition spokesmen protested the participation in joint military exercises at the Totsk training ground of the U.S. 3d Infantry Division, which "has smeared itself in blood in Korea, Vietnam, and Angola." Besides, the opposition spokesmen thought, holding the exercises would exacerbate Russia's relations with China and Kazakhstan. Vladimir Yelagin, head of the Orenburg administration, recognized that holding the exercises may entail unpredictable consequences, and that would bring the opposition representatives "political dividends."

UN Envoy Urges Lifting of Sanctions Against Iraq

LD1907005694 Moscow ITAR-TASS World Service in Russian 2308 GMT 18 Jul 94

[By ITAR-TASS correspondent Boris Sitnikov]

[Text] United Nations, 19 Jul—Russia is calling on the United Nations Security Council to fulfill its obligations to Iraq with regard to the lifting of sanctions and the establishment of a "control period" for examining the issue of lifting the oil embargo. This is contained in the statement that Yuriy Vorontsov, permanent representative of the Russian Federation to the United Nations, made to journalists in connection with the examination in the Security Council of the issue of sanctions against Iraq.

"In the opinion of the Russian delegation, the Security Council's current review of the sanctions regime with regard to Iraq is taking place in conditions that differ considerably from the situation in previous reviews. There has been marked progress in the matter of revealing and destroying Iraqi weapons of mass destruction and of their production potential," Vorontsov noted.

He pointed out that at the present moment Iraq's chemical weapons have been destroyed, registered biological scientific research facilities have been abolished, reliable information has been obtained with regard to all Iraqi missiles with a range of more than 150 km, which has permitted the UN special commission to come to the conclusion that all these missiles have been destroyed and the Iraqi program for developing a two-stage, long-range ballistic missile has ceased.

Vorontsov expressed particular satisfaction with regard to the progress achieved in preparation for launching a system of long-term observations and monitoring. "We note that, in the opinion of the special UN commission, it will be possible to start implementing the plans for long-term monitoring as early as September. We think that it is necessary to make every effort to see that September should become the starting point for a qualitatively new period in cooperation between Iraq and the United Nations," the Russian spokesman stated.

Thus," he stressed,"we think that the positive aspect of Iraq's meeting the disarmament requirements of the Security Council has greater weight than the doubts that remain. In these conditions, the Security Council should react to the positive changes noted in an appropriate manner. The establishment of a lack of reasons for changing a sanctions regime that has become traditional, or the lack of any kind of reaction in general on the part of the Council, would simply be inexplicable from the point of view of logic and common sense."

In the opinion of the Russian delegation, the Security Council resolutions "should be carried out, not only by the countries on which certain demands are made, but also by the Council members themselves."

"Any attempts, despite the opinion of the majority of members of the Council, to prevent this out of political considerations, to interpret the formulation of the Security Council resolutions in a wide manner, are in contradiction to the task of strengthening the authority of the Security Council on a legal basis. Nor does all this

promote the implementation in practice of a partnership that can develop solely on the basis of a balance of interests," the statement notes. It stresses that "it is a question of Russia's major economic and financial interests".

Vorontsov pointed out the need for "the swiftest possible establishment of a restricted control period, at the end of which the Security Council will be prepared to examine the question of lifting the oil embargo."

Defense Minister, Large Delegation To Visit Iraq

JN1807161394 Paris AL-MUHARRIR in Arabic 18 Jul 94 p 7

[Text] In an unexpected development coming on the heels of [Iraqi Deputy Prime Minister] Tariq 'Aziz' visit to Moscow, AL-MUHARRIR has learned that the largest Russian delegation since the fall of the Soviet Union comprising the Russian defense and economics ministers will leave for Baghdad shortly. The delegation will seek to put into effect the agreements reached between the two sides during the talks.

Yeltsin Special Envoy Ends Arab Tour

LD1807164294 Moscow ITAR-TASS in English 1444 GMT 18 Jul 94

[By ITAR-TASS correspondent Viktor Lysenko]

[Text] Amman July 18 TASS—Russian president's special envoy in Middle East Viktor Posuvalyuk completed his tour over a number of Arabian countries. He was received by King Husayn of Jordan, and held meetings with the country's Prime Minister and Foreign Minister 'Abd-al-Salam al-Majali, and Minister of Information [as received] and State Foreign Minister Talal al-Hasan on Saturday and Sunday [16-17 July].

During Posuvalyuk's exchange of views on the Middle East, attention was focused on the latest turn of events in relations between Israel and Jordan, especially, in light of the forthcoming meeting between King Husayn and Israeli Prime Minister Yitzhak Rabin. Discussions were also held on the prospects for Jordanian- Russian relations, especially in the context of the future peaceful settlement of the Middle East crisis.

Posuvalyuk left for home on Sunday. During the trip, he also visited Tunisia, where he had a meeting with PLO Chairman Yasir 'Arafat, and Damascus, where he held talks with Syrian Government officials.

The high-ranking Russian diplomat's visit took place on the threshold of a visit to the region by U.S. Secretary of State Warren Christopher, political circles in the Jordanian capital noted.

Russian Foreign Ministry officials reiterated the need for a greater coordination of actions between the U.S. and the Middle East which are involved in the peace process, which should provide it the necessary forward impulse.

Government Sets Conditions for Estonian Troop Withdrawal

LD1907100094 Moscow ITAR-TASS in English 0919 GMT 19 Jul 94

[By ITAR-TASS correspondent Vladimir Gondusov]

[Text] Moscow, July 19 (TASS)—The Russian troops will not leave Estonia before the end of this year unless all problems relating to social protection of the civilian Russian-speakers residing in that republic are resolved, Russian Defence Minister Pavel Grachev said today, responding to a question from ITAR-TASS.

Grachev said that that had been decided by the head of state and he fully shared the position.

The Russian minister of defence said that the Russian and Estonian delegations are now conducting negotiations in Helsinki, in which his Deputy Colonel-General Valeriy Mironov is taking part, but according to preliminary information received from the Finnish capital the negotiations are progressing with difficulties.

Churkin To Meet Estonia's Malk on Troop Withdrawal

LD1807143594 Moscow INTERFAX in English 1314 GMT 18 Jul 94

[Text] Russia's Deputy Foreign Minister, Vitaliy Churkin, is to meet with the Vice Chancellor of Estonia's Foreign Ministry, Raul Malk, in Helsinki on Tuesday and Wednesday, to discuss the withdrawal of Russian troops from Estonia. He hopes that the talks will be a success, he told Interfax on Monday.

Nevertheless the talks will not be easy, he noted. "The way Estonia wants to resolve the problem of military retirees does not suit Russia. According to our estimates, if Estonia's legislation is abided by, seven of the nine thousand military retirees will have to leave that country. If members of their families are taken into account, this would make up an impressive figure—about 25,000 people," Churkin noted.

According to him, he will seek to prevent the U.S. senate's decision to link aid to Russia to the need to withdraw its troops from Estonia by August 31 from affecting the course of talks. "However not everything depends on us. So far it is not clear how the Estonians reacted to the American decision," he said.

On Friday Churkin condemned the U.S. senate for its decision, and described it as counter-productive.

Russia's attitude remains unchanged, Churkin pointed out. "We shall continue to work as we worked previously. Even before that (Interfax's note: the U.S. senate's decision) we searched for the possibility of some solution, and now we will continue this search in accordance with approaches worked out earlier," the diplomat said.

Grachev on Lack of Support for CIS Peacekeeping Role

LD1907103894 Moscow ITAR-TASS in English 1010 GMT 19 Jul 94

[By ITAR-TASS correspondent Vladimir Gondusov]

[Text] Moscow July 19 TASS—"Russia cannot bear everyone's burden of spending for peacekeeping operations on the territory of the Commonwealth of Independent States. If we have a Commonwealth we must stick together. This is most important politically," Russian Defence Minister Pavel Grachev said, angered by the stance of some Commonwealth member states with regard to helping Russia's peacekeepers in the zone of the conflict between Georgia and Abkhazia.

The Russian defence minister told ITAR-TASS that each state has the right to decide for itself on the form of its participation in the peacekeeping mission. "if a country cannot send army units there, let it provide financial support," he said.

The second day in the work of the conference of the defence ministers of the Commonwealth member states revealed that only Tajikistan was ready to send a reinforced company to Sukhumi. Kirgyzia [Kyrgyzstan] and Armenia offered to send their observers. Azerbaijan, Byelorussia [Belarus], Kazakhstan and Uzbekistan refused to take part in the peacekeeping mission.

The Russian defence minister said the meeting should then drop the items from the agenda which concerned the training of civilian and military specialists from Commonwealth countries for taking part in peacekeeping missions and material, technical and financial support for such missions. Unless an agreement is reached on the main item - the participation in the settlement of the Georgian- Abkhazian conflict, there is no point in considering these items, Grachev said.

He said he would report the positions of his colleagues to the Commonwealth summit in Sochi on September 9.

Chernomyrdin Views International Aspects of Reform

LD1507131994 Moscow ITAR-TASS in English 1234 GMT 15 Jul 94

[By ITAR-TASS]

[Text] Moscow July 15 TASS—Russian Prime Minister Viktor Chernomyrdin said at a session of the government in the Kremlin today that the implementation of a new stage of reforms is being promoted by more favourable international conditions. This was manifested at the Naples summit of leaders of industrially developed nations, where the G-7 took an important step forward to turn into the "G-8". Thanks to the political will displayed by the Russian president, Russia was recognised in the world as a democratic country with a transitional economy, Chernomyrdin said.

He pointed out that Russia had reached a new level of relations with the international financial and economic community by now. Chernomyrdin pointed out the importance of attracting foreign investments into Russia. According to the prime minister, the government has been and will continue to pursue a policy aimed at the protection of interests of domestic investors and do everything necessary so that control over the most important spheres of economy and finance remain in "Russia's hands."

Chernomyrdin outlined two ways of ensuring access to new markets for Russian manufacturers. One of them is difficult talks for lifting all kinds of discriminatory restrictions, such as the Jackson-Vanik amendment and others which are still used against Russia. After the Naples summit encouraging signs of the change appeared, Chernomyrdin said. He assured that Russia's interests will be defended in future, referring to Russia's expected joining the General Agreement on Tariffs and Trade.

The second way is boosting Russia's activities on its traditional markets of "near abroad." Chernomyrdin made no attempt to conceal his concern about the drop in the volume of trade turnover and the problem of insolvency in mutual payments between Russian enterprises and those from neighbouring countries. Chernomyrdin assured that the government will directly work with Russian entrepreneurs, promoting their activities on these markets.

Touching upon recent presidential elections in Byelorussia [Belarus] and Ukraine, Chernomyrdin expressed the confidence that the people of these countries gave their leaders a mandate to carry out real economic and political reforms which will be not only be the most important stabilisation factor, but raise relations with Russia to a qualitatively new level.

Military Equipment To Pay Off Debt to Turkey

LD1807180694 Moscow ITAR-TASS World Service in Russian 1703 GMT 18 Jul 94

[By ITAR-TASS correspondents Oleg Velichko and Sergey Feoktistov]

[Text] Ankara, 18 Jul—Russia intends to pay Turkey $290 million within three years as part of the Russian side's debt that today amounts to $520 million. An agreement on this was reached today during Turkish-Russian talks. The Russian delegation was headed by Oleg Soskovets, Russian first deputy prime minister, and the Turkish Republic's delegation by Murat Karayalcin, deputy prime minister and state minister of Turkey.

In an interview with an ITAR-TASS correspondent, Oleg Davydov, the Russian minister for foreign economic relations, specified that $100 million will be paid off by deliveries of combat helicopters and special equipment from Russian warehouses. As to the remaining $190 million, Russia is prepared to pay them by deliveries of

gas and other items within three years. At the same time, the minister remarked, should Russia and Turkey sign military contracts, the Russian side expressed its readiness to channel a part of the income generated toward repayment of the remaining debt.

Turkey To Increase Imports of Russian Gas

LD1807182194 Moscow ITAR-TASS World Service in Russian 1720 GMT 18 Jul 94

[By ITAR-TASS correspondents Oleg Velichko and Sergey Feoktistov]

[Text] Ankara, 18 July—Turkey is prepared to import additional 4.5 billion cubic meters of gas from Russia every year. Turkish Deputy Premier Murat Karayalcin, who is also Turkish minister of state, said this at the talks with First Vice Premier Oleg Soskovets today.

Turkey has proposed increasing the through-put capacity of the current gas pipeline as well as building a new gas pipeline network through Georgia. In the course of the meeting between First Vice Premier Soskovets and Turkish business circles in the town of Antalya, an agreement was reached on construction of such a gas pipeline through the territory of Ajaria. Oleg Soskovets has explained the choice of this route by noting the "stable political situation in this part of Georgia." In addition, the Turkish side proposed building and laying two more branch lines through Ukraine. At present Russia supplies Turkey with five billion cubic meters of natural gas every year.

Taking into account goodneighborly relations with Turkey and business links which are strengthening, Oleg Soskovets, in his turn, asked Turkey whether it could grant Russia the status of main gas exporter. At the same time, he believes it is possible to use 80 percent of Russian equipment while building a heating power station with a 1,400 megawatt capacity in Turkey. "The credits of the World Bank and other international financial organizations should be channelled for the construction of this project," he stressed.

Soskovets Arrives in Ankara, Views Ties

LD1807140994 Moscow ITAR-TASS World Service in Russian 1143 GMT 18 Jul 94

[By ITAR-TASS correspondents Oleg Velichko and Sergey Feoktistov]

[Text] Ankara, 18 Jul— Oleg Soskovets, first deputy chairman of the Russian Government, arrived in Ankara at the head of a delegation today. In a statement to the press released at the airport he said he is in Turkey to establish active dialogue between Russia and Turkey. He stressed that Russia attaches great importance to its relations with Turkey. This visit, he said, is intended to put into practice agreements reached during talks in Moscow between Turkish Prime Minister Tansu Ciller and the Russian leadership.

In response to journalists' questions, Oleg Soskovets said that the new statute for the Bosphoros and Dardanelles introduced by Turkey on 1 July will be discussed during talks in Ankara. He said he does not consider this to be a political problem, adding that it can be debated and resolved on a technical level. The deputy head of the Russian Government also said that the aim of the Russian troop deployments in the Caucasus is to uphold and secure peace in the region.

The government's primary task is to create in Russia a civilized climate for market structures and private business to develop, Oleg Soskovets said. He added that the current political situation in the Russian Federation is favorably influencing the development of business and attraction of foreign capital. In connection with this, he called on Turkish companies to be more active on the Russian market.

Meeting the delegation at the airport, Murat Karayalcin, Turkish deputy prime minister and minister of state, expressed confidence that the development and strengthening of relations between Russia and Turkey will have a positive impact on the political situation in the region. He said that Turkey is striving to raise their level to that of "partners in cooperation." Murat Karayalcin expressed the hope that the forthcoming talks will end in success and be of benefit to both countries.

Chubays, Kokoshin Address 'Greater Europe' Talks

MK1907072094 Moscow SEGODNYA in Russian 19 Jul 94 p 2

[Report by Irina Grudnina under the "Cooperation" rubric: "Russia Wants To Be Understood. Andrey Kokoshin Thinks: There Should be a Special Approach to the Security Problem"]

[Text] A conference of the international nongovernment organization the "Greater Europe" Commission took place in St. Petersburg over the weekend attended by Paris Mayor Jacques Chirac, Russian Federation Vice Premier Anatoliy Chubays, Russian Federation Deputy Defense Minister Andrey Kokoshin, St. Petersburg Mayor Anatoliy Sobchak, among others. In the view of the conference participants, the major problem today is to eliminate mutual doubts: those in the West caused by the sense of instability in Russia; those in the people in Russia caused by the sense of indecisiveness and inconsistency shown by the West in cooperation with Russia.

The commission came up with a "Russia in Europe" initiative which could be based, as far as Russia is concerned, on producing a long- term strategy of national revival, and on long-term commitments of all-around support to Russian reforms on the part of the West. Mr. Chubays declared that he regards the prospect for Russia's joining the EC as "absolutely realistic in the same way as the joining of GATT, which could be economically more significant." In his view, "Here we are expected to take several major steps to liberalize our

foreign economic relations, to liberalize the economy, in particular as regards pricing, whereas the West is expected to recognize the fact that in the form of administration the Russian Federation is a normal world power."

One of the key issues discussed was preventing Russia from becoming isolated in the area of security. First Deputy Defense Minister Andrey Kokoshin told your SEGODNYA correspondent that the structure of security is more multidimensional and complex than it appears to many people, and it is impossible to find generic solutions even for Europe where everything is regulated and structured. One has to look for an unconventional approach to shaping a security system where Russia would play one of the key roles. "We advance no special terms," Mr. Kokoshin explained," we simply want everyone to take account of our vital interests." In his view, the source of all acute regional conflicts "is nationalist psychology and impulses originating from various socio-ethnic groups."

Chirac Urges Full Russian G-7 Membership

BR1907100394 Paris LE FIGARO in French 18 Jul 94 p 5

[Unattributed report: "Chirac: 'Turning the G-7 Into G-8'"]

[Text] RPR [Rally for the Republic] President Jacques Chirac said that Russia's full membership of G-7 was ultimately "desirable," at the end of talks with Russian Prime Minister Viktor Chernomyrdin in Moscow. Speaking to journalists, Jacques Chirac advocated "a gradual move from G-7 to G-8" and he added that "the methods by which the Western countries—especially Europe—disbursed aid to Russia should probably be reviewed and improved."

The former prime minister also said he had had talks with the Russian Government chief about the economic situation in Russia and the war in Bosnia. Jacques Chirac was initially due to meet with Boris Yeltsin, but the meeting was canceled because of a cold which the Russian president caught, the Russian presidency press office said. Jacques Chirac opened the offices of the Commission for a Greater Europe of which he is the president, accompanied by Anatoliy Chubays, Russian deputy prime minister for privatization, who is joint president of that organization.

The "Commission for a Greater Europe" is intended to be a meeting place for Russian and European politicians and economists and a forum for discussing economic and security relations between Russia and Europe, Mr. Chirac said. The Paris mayor also met with Yuriy Luzhkov, the mayor of Moscow. Finally, Mr. Chirac chaired a plenary conference of the Commission for a Greater Europe in St. Petersburg on Saturday before leaving for France the same evening.

Europe Conference Ends; Chubays Comments

LD1707155494 Moscow ITAR-TASS in English 1459 GMT 17 Jul 94

[by ITAR-TASS correspondent Nikolay Kondratenko]

[Text] St. Petersburg July 17 TASS—The commission "Great Europe" ended its conference in St. Petersburg on Sunday by issuing a call for closer cooperation and stronger European solidarity.

The conference which was held under the motto "No great Europe without Russia and no great Russia without Europe" discussed prospects for cooperation between Russia and Western Europe and suggested launching an initiative, "Russia in Europe," in order to prevent its economic and political isolation and support economic reforms in Russia.

The closing discussions were devoted to economic and security problems in Europe.

The participants stressed that peace and stability on the continent will largely depend on the prosperity of European nations. Reaching prosperity by isolating some countries will heighten tension and military confrontation in Europe, they said.

At the end of the 20th Century, European nations are facing the problem of survival in the demographic, political, economic, ecological and cultural spheres. In the technological, financial and trade sectors they are challenged by Japan and the United States. In the cultural, religious and demographic spheres by the Middle East, Northern Africa and Central Asia. China is emerging as a strong economic and military power.

European countries need to find new approaches not only within the European Union and NATO, but also within greater Europe. If these plans are ever to come true, European countries will have to sign an all-Europe security convention which would also involve the U.S. and Canada.

In an interview with ITAR-TASS, commission Vice-President Anatoliy Chubays said that the conference has revealed the complexity of the European security issue and exposed the problems posed by the rapidly changing global political environment.

Chubays expresses the hope that the initiative proposed by the conference will facilitate Russia's admission to the European family of nations.

The next conference is expected to be held in Moscow or Paris on January 16-17, 1995.

Gaydar Party Seeks Accession to EDU Center-Right Union

LD1507143094 Moscow ITAR-TASS in English 1354 GMT 15 Jul 94

[Text] Moscow July 15 TASS—Ex-Premier Yegor Gaydar who is chairman of the Democratic Choice of Russia Party (DCR), discussed with Paris Mayor Jacques Chirac on Friday questions on his party's admission to the European Democratic Union, the DCR press service reported later in the day.

Chirac is also vice-president of the European Democratic Union, an organisation uniting centre-right parties in European states.

The next meeting of the European Democratic Union executive which will decide concerning the DCR's membership, will be held in Moscow next October.

Official Calls for Stronger Ties With Latin America

LD1807114794 Moscow INTERFAX in English 1014 GMT 18 Jul 94

[Text] If Russia fails to "strengthen economic ties" with Latin America, the region may be lost for this country, Vladimir Tyurdenev, director of the Central and South Americas Department of the Russian Foreign Ministry, told Interfax.

Addressing on Monday the extended meeting of the Duma committee for international affairs, he said that though Russia's trade turnover with Latin American countries grew by 25 percent, it so far constitutes only 2.5 percent of the total volume of Russia's foreign trade.

Tyurdenev said that pragmatism towards Latin America should prevail in Russia's foreign policies. He favored the development of active cooperation with Argentina, Brazil, Mexico, Chile, Venezuela and Colombia, as well as with Cuba, Nicaragua and Peru.

Speaking about relationships with Cuba, the diplomat said that the Cuban market is very important for Russia since earlier Russia had invested large sums in the Cuban economy . He said that Russia is interested in getting Cuban sugar. Through Cuba Russia intends to develop cooperation with other Latin American countries, he added.

Tyurdenev also said that the Russian presence in the Caribbean is an important factor for maintaining the political balance.

In the near future, he said, First Deputy Russian Prime Minister, Oleg Soskovets, is to visit Cuba, Mexico and Colombia, and Deputy Russian Prime Minister Aleksandr Shokhin intends to tour some countries in the region as well.

Panov Meets Canadian Deputy Foreign Minister

LD1607150694 Moscow ITAR-TASS World Service in Russian 0517 GMT 16 Jul 94

[By ITAR-TASS correspondent Nikolay Setunskiy]

[Summary] Ottawa, 16 Jul—Russian Deputy Foreign Minister Aleksandr Panov held talks in Ottawa with Canadian Deputy Foreign Minister Gary Smith, after which he told ITAR-TASS in an interview that the two countries had identical views and interests in the Pacific Ocean region. Panov said that Canada is in favor of Russia taking a more active part in Asian affairs and stresses the desirability of us getting actively involved in the life of the region, especially in the economic area. He also said that Russia continued to call for an international conference on the issue of the Korean peninsula.

Political Issues

Rutskoy Terms Russian Opposition 'Political Farce'

LD1807150894 Moscow ITAR-TASS in English 1310 GMT 18 Jul 94

[By ITAR-TASS correspondent Nikolay Zagnoyko]

[Text] Lipetsk July 18 TASS—Russian ex-vice-president Aleksandr Rutskoy called the current Russian opposition a "political farce."

Rutskoy arrived in Lipetsk on Monday, the centre of the metallurgical industry in Russia's black earth lands. He said tha this goal was to form a movement which was capable of "putting an end to the lawlessness in the country." Rutskoy told journalists that the opposition should be an organised social force centered around one leader and one programme.

Paradoxical as it may seem, Rutskoy sees the entire Russian people as such a "leader." According to him, "the Russian people are unique. They will sit, keep silent, and wait until the end, when they are completely ruined."

One of Rutskoy's goals in visiting the provinces is to wake up the masses.

As earlier, Rutskoy continues to call the current, Yeltsin-led regime, "criminal."

Party Leader Predicts Further Political Tension

LD1907095394 Moscow ITAR-TASS in English 0837 GMT 19 Jul 94

[Text] Bryansk July 19 ITAR-TASS—The aggravation of the political situation in Russia was predicted in an interview with the local newspaper BRYANSKIY RABOCHIY (Bryansk Worker) by the leader of the Russian National Assembly movement, former KGB General Aleksandr Sterligov.

The general admitted that the opposition "has not yet taken shape and there is no normal organizational work. There is a group of leaders seeking ascension to the presidential seat, who change nothing in Russia's life".

The general was uncomplimentary un speaking about some of them: "Prokhanov is simply unable to bring any people together. He is splitting any gathering all the time. Zyuganov has failed to make clear his real views and he is evolving opportunistically."

The general is no less critical of Aleksandr Barkashov, the leader of the Russian National Unity group, whose philosophy is close to that of the Sterligov movement. "The televised actions of Barkashov's men, particularly on foreign television, created all necessary conditions for the western public opinion to favour Yeltsin's actions," Sterligov said.

Yeltsin Amends Law-Drafting Directive

MM1907104594 Moscow ROSSIYSKAYA GAZETA in Russian 16 Jul 94 First Edition p 5

[Untitled directive No. 353-rp of the Russian Federation president, dated 4 July 1994 and signed by Russian Federation President B. Yeltsin]

[Text] For the purposes of coordinating the law-drafting work plans of the Russian Federation president and the Russian Federation Government, and in accordance with the Russian Federation president's edict No. 1185 of 10 June 1994 "On Ensuring Cooperation Between the Russian Federation President and the Russian Federation Government":

1. The following changes are to be made to the plan for preparing the draft laws envisaged for submission by the Russian Federation president to the Federal Assembly State Duma in June 1994, which was approved by the Russian Federation president's directive No. 282-rp of 7 June 1994:

Point 4 is to be deleted;

in Point 14 the words "State Legal Administration, Russian Federation Government" are to be replaced by the words "State Legal Administration, Russian Ministry of Justice, Russian Ministry of the Economy, Russian Ministry of Finance, Russian Ministry of Nationalities Affairs and Regional Policy, Russian State Committee for the Management of State Property."

2. The leader of the Russian Federation President's Staff and the leader of the Russian Federation Government's Apparatus are to ensure the finalization of the draft federal constitutional law "On the Russian Federation Government," having formed a working commission for these purposes. The finalized draft law is to be discussed at a session of the Russian Federation Government and submitted to the Russian Federation president for submission to the State Duma.

3. This directive comes into force the moment it is signed.

[signed] B. Yeltsin, president of the Russian Federation [dated] 4 July 1994

All-Russia Communists Conference Discusses Unification

MM1907101794 Moscow SOVETSKAYA ROSSIYA in Russian 19 Jul 94 p 2

[Report by Nadezhda Garifullina: "Uniting. But How?"]

[Text] The all-Russian conference of Communists belonging to the All-Union Communist Party of Bolsheviks, the Russian Communist Party, the Russian Communist Workers Party, the League of Communists, and CPSU organizations was held 16-17 July this year. There was a discussion of the unification of the uncoordinated

communist forces. To judge by the numerous speeches, the "grassroots" have already realized the need for this. Many leaders have also understood it. Aleksey Prigarin, chairman of the League of Communists, said frankly that the time of small parties had passed, they have done their job and now it is time to unite. Viktor Anpilov, secretary of the Russian Communist Workers Party, suggested creating a joint communist newspaper, beginning to collect funds for it, and preparing a general political strike. Russian Communist Workers Party First Secretary Viktor Tyulkin expressed himself in favor of unification.

A different viewpoint was expressed by Anatoliy Kryuchkov, chairman of the Russian Party of Communists, for one: They must unite, but gradually, and another speaker added: "We must make haste slowly in approaching unification." And a very extreme position was voiced by representatives of the All-Union Communist Party of Bolsheviks. It seemed incomprehensible to one of them that "the leaders should strive to create a single and monolithic party" since "today objective conditions have not yet ripened for its creation" while another suggested that the CPSU be consigned to the garbage heap of history.

As a result only the Roskomsoyuz [Union of Communist Parties of Russia] was formed—to coordinate joint actions—and they will obviously "make haste slowly" in embarking on a united party.

Economic Issues

Yeltsin May Decree Further Privatization

LD1807171594 Moscow ITAR-TASS in English 1657 GMT 18 Jul 94

[By ITAR-TASS correspondent Anna Melnikova]

[Text] Moscow July 18 TASS—"In case the State Duma (lower chamber of the Russian legislature) fails to adopt the programme of the second stage of the privatisation, President (Boris Yeltsin) may issue a decree concerning its realisation," Yeltsin's administration head Sergey Filatov told TASS today.

According to Filatov "the process of the privatization has already become of the irreversible character and will continue under any circumstances." However the official did not exclude that the programme might be amended to a certain extent.

The draft decree on the second stage of Russia's privatisation has already been prepared, Filatov added.

Filatov Warns Bankruptcy Difficult But Necessary

LD1907111794 Moscow INTERFAX in English 1104 GMT 19 Jul 94

[Text] President Yeltsin's administration chief Sergey Filatov believes that "the process of declaring unprofitable enterprises bankrupt will go very difficultly," but that, in his opinion, is essential, if the market economy is to be developed.

In an interview with Interfax, he described as insolvent the enterprises that the USSR was proud of only fairly recently. Their production was distributed according to a plan, and imposed on buyers. Now, however, it is impossible to order farms to buy these trucks or those tractors. "If we do so, we'll have to pay for them out of the budget, thereby encouraging the manufacturing of uncompetitive products," Filatov said.

In his opinion, initially the government should find out how many thousands of enterprises are running at a loss in Russia, and declare only part of them bankrupt.

"Their further fate must be thoroughly considered. From the social point of view, it is a very complex problem. The destiny of the people working at such enterprises depends on whether they are simply dismissed or retrained," Filatov explained.

Chernomyrdin Urges More Foreign Investment

LD1907090394 Moscow ITAR-TASS World Service in Russian 0719 GMT 19 Jul 94

[Text] Moscow, 19 Jul—The optimum amount of foreign investment in Russia is between $10 billion and $15 billion a year, Russian Prime Minister Viktor Chernomyrdin told the newspaper RABOCHAYA TRIBUNA in an exclusive interview published in today's issue. Of the approximately $100 billion of investment worldwide, Russia is currently attracting $2.5-2.7 billion, which the prime minister said was "a paltry amount."

At a meeting with foreign business representatives in Moscow in late June, the Russian leadership was presented with a detailed list of problems facing investors, the prime minister said. "Many of the proposals coincide with the government's plan of action to attract more foreign investment to the Russian economy." The prime minister said that a number of infrastructure projects of interest to the Russian Government were put to Western partners at the meeting. "In particular they concerned construction of toll motorways from Moscow to the western border via Brest and Moscow to the northern border via St. Petersburg, furnished with filling stations, restaurants, hotels, and campsites. There are also projects to rebuild international airports at Moscow, St. Petersburg, Novosibirsk, Khabarovsk, Omsk, Yekaterinburg, Irkutsk, Krasnodar, Sochi, and Vladivostok."

Columnist Views 'Optimistic' Report by Chernomyrdin

MM1907095394 Moscow IZVESTIYA in Russian 16 Jul 94 p 2

[Article by Mikhail Berger: "Premier Warns Lenya Golubkov and Bankrupt Enterprises"]

[Text] An enlarged session of the Russian Federation Government was held in Moscow Friday [15 July], at which Prime Minister Viktor Chernomyrdin delivered a report.

Enlarged sessions of the Russian cabinet, to which heads of administration and parliamentary committees and factions are invited, are held quarterly. In the runup to the present session it was said that the premier would be making a programmatic or revolutionary speech. It was expected that the president would take part in the session's work, while around 100 State Duma deputies were intent on attending.

I will deal with the premier's report a little later. Boris Yeltsin did not show, at least he had not by midday, when this commentary was being prepared. As for the State Duma deputies, they were absent for purely Soviet reasons—they were not allowed into the Kremlin. It is difficult to say who came up with such a sophisticated idea, but it is difficult to devise a better way of marring relations between government and parliament than subjecting the legislators to such "technical discrimination."

The indignant deputies began demanding the immediate removal of V. Kvasov, leader of the government apparatus.

The premier's hour-long report was somewhat untraditional: He began with thoughts on the correlation between politics and economics. However, you could not describe Chernomyrdin's speech as programmatic, let alone revolutionary. But it is precisely this factor (the absence of elements of "the historic, the momentous, and the revolutionary") which Yevgeniy Yasin, leader of the presidential staff's analytical center, regarded as the achievement. All the main "revolutionary" actions in the economy have already been carried out, he said. It is now necessary to advance in the designated direction.

The premier's report assessed the results of the two and one-half years of reform pretty positively: The disappearance of deficits, the slowing down of the slump in production and rates of inflation, the completion of check privatization, and the laying down of the basis of the country's self-sufficiency in grain.

Speaking about lowering expectations regarding inflation, the premier cautioned the Central Bank against haste in reducing the lending rate. He also deemed it essential to warn Lenya Golubkov, the beloved hero of Russian financial speculators, that falling inflation is leading to a reduction in the return on transactions in the financial market, and people need to be ready for this.

After saying that the military-industrial complex and the agro-industrial complex will receive in full everything stipulated for those sectors in the budget, Chernomyrdin stated that the government intends to switch state resources from supporting old, doomed production units to providing incentives for competitive ones. We have already crossed the threshold of bankruptcies, and sector lists of enterprises that are already virtually bankrupt are now being compiled. In six of the most flagrant cases the State Committee for the Management of State Property has made the decision to wind up or sell the enterprises. Around 60 cases are being examined in courts of arbitration, and legal actions are being prepared against another 100 enterprises. If the process is not slowed down artificially, the premier said, at least another 1,500-2,000 enterprises will fall foul of the procedure on bankrupcies before the year is out.

Tax-payers were promised concessions from the start of next year, while the defense complex was promised its operation and conversion would be afforded care and concern. At the same time Chernomyrin said that a state's might is determined not by the number of rocket launches but by the prosperity of its citizens. At that moment Pavel Grachev (perhaps for some reason of his own) covered his face with his hands.

On the whole, however, the premier's speech was optimistic in tone, which was bound to produce a sharp reaction by the sector lobbyists present in the hall, many of whom see the situation differently.

Yeltsin Edict on Natural Resources of Seas

MM1907104194 Moscow ROSSIYSKAYA GAZETA in Russian 16 Jul 94 First Edition p 5

[Edict No. 1470 of the Russian Federation president, dated Moscow, the Kremlin, 6 July 1994 and signed by Russian Federation President B. Yeltsin: "On the Natural Resources of the Coasts of the Black Sea and the Sea of Azov"]

[Text] For the purposes of preserving and restoring the natural resources of the coasts of the Black Sea and the Sea of Azov and also in accordance with the Russian Federation president's edict No. 2144 of 16 December 1993 "On Federal Natural Resources," I decree:

1. The initiative of Krasnodar Kray Administration with regard to classifying a number of the natural resources of the coasts of the Black Sea and the Sea of Azov as federal natural resources is to be approved.

2. The Russian Federation Government:

a) in agreement with the administrations of Krasnodar Kray and Rostov Oblast:

is to approve lists of natural objects on the coasts of the Black Sea and the Sea of Azov classified as federal natural resources in accordance with the Russian Federation president's edict "On Federal Natural Resources";

is to conduct appropriate topographic-geodesic and cartographic work and approve the boundaries of natural objects on the coasts of the Black Sea and the Sea of Azov classified as federal natural resources;

b) is to determine the federal organs of executive power which, jointly with the administrations of Krasnodar Kray and Rostov Oblast, will exercise the appropriate management functions in respect of natural objects on the coasts of the Black Sea and the Sea of Azov;

c) is to organize, jointly with the administrations of Krasnodar Kray and Rostov Oblast, the elaboration in 1994-1996 of a program for the comprehensive management of natural zones of the Black Sea and the Sea of Azov, having provided in it for the development of resort and medicinal health zones, other territories, and adjacent sea areas;

d) is to approve as a priority measure the boundaries of the plots of specially protected natural territories, whose transfer to private ownership is not permitted, while the established regime of their use is altered with the permission of the organ which approved the legal status of these territories;

e) is to define the procedure for using resort and medicinal health zones with due regard for preserving their natural and medicinal properties.

3. This edict comes into force the moment it is signed.

[signed] B. Yeltsin, president of the Russian Federation
[dated] Moscow, the Kremlin, 6 July 1994

Military Issues

North Fleet Exercise To Include Missile Launch

MM1907085394 Moscow KRASNAYA ZVEZDA in Russian 19 Jul 94 p 1

[Report by Dmitriy Litovkin: "Northern Fleet Confirms High Standard of Training. Even in Current Difficult Conditions"]

[Text] Many Northern Fleet ships and units were on alert yesterday. On 18 July the fleet began comprehensive three-day operational-tactical exercises involving the launch of a ballistic missile and cruise missiles, and anti-aircraft, torpedo, and artillery firing exercises in the Barents Sea.

Ten surface ships are taking part in the exercises. They include the heavy aircraft-carrying cruiser Admiral Flota Sovetskogo Soyuza Nikolay Kuznetsov, the nuclear missile cruiser Admiral Nakhimov, the large ASW ship Simferopol, the destroyer Rastoropnyy, the large assault landing ship Mitrofan Moskalenko, and air-cushion vehicles. Also taking part in the exercises are multirole submarines and Typhoon-class nuclear submarine cruisers. It is one of these that is due to launch the ballistic missile toward the test range. Naval aviation—the Il-38 and Ka-27 ASW aircraft, the Su-25 ground-attack aircraft, the Ka-29, and the Su-27K fighter-bomber—and other Northern Fleet men, equipment, and weapons will also be playing an active part in the exercises. The maneuvers will involve more than 3,000 men. The exercises will be led by Admiral Oleg Yerofeyev, commander of the Northern Fleet.

Apart from checking the training of Russia's maritime strategic nuclear forces, the Northern Fleet crews will be rehearsing the mission of hunting and killing imaginary enemy submarines and repulsing massive strikes by its missiles and aircraft, will themselves conduct firing exercises against naval targets using strike missile and artillery complexes, and will land on the rocky shores of Rybachiy Peninsula a naval infantry battalion reinforced with T-80 tanks, self-propelled guns, and other armored equipment. In other words, the Northern Fleet sailors, I was told at fleet headquarters, will to all intents and purposes be checking the actual readiness of their forces and means for carrying out the mission they have been tasked with.

Incidentally, the crew of the submarine cruiser which will launch the strategic missile is as yet unknown. Several crews have been prepared for the launch, but who among them will be entrusted with turning the key in the missile complex' coded lock will only be known at the last minute.

We should stress yet another important fact against the background of which the fleet force exercises are being held. Army and Navy problems are now being discussed quite openly. There are indeed many difficulties, and these are indeed having a bad influence not only on material and technical supply, but also on the psychological state of servicemen. In this sense the Northern Fleet is no exception. Nonetheless, the exercises have confirmed yet again that, even in today's difficult conditions, the Northern Fleet seamen are capable of maintaining their combat readiness at the proper level.

There is considerable interest in the exercises. And not only on the part of the meticulous umpires and controllers. For instance, for the past week the British frigate Sheffield and the fleet support tanker Olna have been on patrol 20 miles off Kildin Island, at the entrance to the Kola Gulf. The British are carrying not only combat helicopters and good artillery and missile weaponry, but also powerful EW equipment, and electronic and optical intelligence-gathering equipment.

The Northern Fleet Headquarters said that it is not afraid of such "control," even though it does not realize how it relates to the partnership relations and pledges of good-neighborliness which are constantly heard from top NATO military leaders.

...The exercises have just begun. The Northern Fleet sailors will be facing a busy program of combat training and some major tests of their combat maturity. We wish them success—all the more so as the exercises are being held on the eve of Navy Day.

Yeltsin To Attend Fleet Exercise

MM1907091394 Moscow IZVESTIYA in Russian 19 Jul 94 p 2

[Report by Viktor Litovkin: "Russian Northern Fleet Holds Exercises under the Supervision of...A British Frigate"]

[Text] Severomorsk, Moscow—The three-day exercises involving more than 10 surface ships and five submarines, 15 airplanes and helicopters, and over 2,000 personnel began on Monday [18 July] at the Russian Northern Fleet's naval test ranges. The exercises are being directed by Admiral Oleg Yerofeyev, commander of the fleet, and Boris Yeltsin, the president of the country and supreme commander in chief of the Armed Forces, is to be involved in the maneuvers at one stage of the exercises.

There are several reasons for his participation in the fleet's combat training, the main one being that he and he alone can give the go-ahead to the submarine launch of a strategic ballistic missile from a Typhoon-class nuclear submarine cruiser, which is scheduled to take place during the naval maneuvers. It is also planned that during the exercises there will be a salvo of ultrasonic Moskit cruise missiles fired at surface targets from the guided missile destroyer Rastoropnyy (commanded by Captain Second Rank Boris Nashutinskiy), firing by AK-130 and AK-100 strike artillery complexes from a group of surface ships, and the repelling of enemy missile and air strikes involving the actual launch of antiair missiles of the S-300 F and Osa air-defense complexes which are to be carried out by the crews of the heavy nuclear cruiser Admiral Nakhimov under the command of Captain First Rank Leonid Sukhanov and the large ASW ship Simferopol, under the command of Captain First Rank Igor Piskunenko.

There will also be two days of exercises to hunt and kill submarines in which naval aviation will take part and, in the final stage of the maneuvers, incidentally, there will also be aircraft from the heavy aircraft-carrying cruiser Admiral Kuznetsov (commander—Captain First Class Ivan Sanko) while submariners will be hunting surface ships and the submarines hunting them. There will be attacks using torpedoes and depth charges and a battalion of marines and armored combat hardware will land on the rocky shores of the Rybachiy Peninsula from on board the large amphibious warfare ship Mitrofan Moskalenko.

Meanwhile, if for any reason the president of Russia cannot take part in the exercises as planned, their scale will be sharply reduced. In particular, the launches of strategic and cruise missiles will take place only using simulators and the assault troops will only approach the shore of the Rybachiy Peninsula and will then return to base—it is too costly and troublesome to land combat hardware on an unprepared coast and then remove it.

Foreign military observers have not been invited to the present Northern Fleet maneuvers. According to international agreements they attend maneuvers when more than 20,000 seamen are taking part. Nevertheless, the Northern Fleet seamen are not being ignored by their Western colleagues.

In addition to the fact that the Norwegian reconnaissance ship Marjatta constantly tracks the heavy aircraft-carrying cruiser Admiral Nakhimov when it puts to sea and monitors the test flights of its deck-based Su-27K's, the British frigate Sheffield and its accompanying tanker Olna have been on duty for a week now by the exit from Kola Bay at the very edge of Russian territorial waters. The frigate, with the pennant number F 96, is armed with two Lynx combat helicopters, four Exocet antiship missiles, some 40-mm Bofors artillery systems and 20-mm Oerlikon artillery systems, torpedoes, powerful radioelectronic warfare systems and radar reconnaissance and optoelectronic stations; the tanker, with the pennant number A 123, has a displacement of 37,000 tonnes, is adapted for sailing through ice, and also carries on board two helicopters and some Oerlikon artillery systems.

They appeared here two days after the end of the visit to Severomorsk by Admiral Hugo White, commander in chief of the Royal Navy, who, as I was told at the Northern Fleet headquarters, assured them that the Royal Navy is no longer carrying out reconnaissance against friendly Russia. But unfortunately, as Russian seamen have been noting, the admiral's words are at variance with his actions, to put it mildly, and this does not inspire them with confidence in their neighbors in the Arctic, especially since our ships ceased operating off Britain's shores and spying on its ships a long time ago.

But if they want to see what we can do, as they say at the Northern Fleet headquarters, let them track us. The exercises, combat firing, and missile launches will take place whatever the weather.

Federal Assembly

Duma Condemns U.S. Senate Amendment on Economic Aid

MM1907101994 Moscow PRAVDA in Russian 16 Jul 94 p 1

[Report by Valentina Nikiforova: "Duma Angry"]

[Text] "We need to put on the agenda the question of ratification of the 'Partnership for Peace' agreement that was signed by Kozyrev," Vladimir Isakov proposed, making it clear that this should be "without any report or debates." This follows the U.S. Senate resolution linking aid to Russia with the troop withdrawal from the Baltic countries.

State Duma Chairman Ivan Rybkin immediately explained:

"Two Foreign Ministry departments have assessed this as interference in Russia's internal affairs. I am today issuing a statement on the Duma's behalf. Here is the text:

"'Russia is making a great deal of effort to find a reasonable solution to the complex problems arising between the states that have emerged as a result of the USSR's collapse. Russia and Estonia have managed to achieve the main thing—to prevent any dangerous exacerbation of the conflict and to preserve stability on the border.

"'In this connection the adoption by the U.S. Senate of a resolution refusing to grant additional economic aid to Russia in the event of our troops failing to withdraw from Estonia by 31 August can be deemed to be aimed at undermining the efforts to organize good-neighborly relations between Russia and Estonia, which is the prerogative of our two states.

"'The Russian Federation State Duma condemns the U.S. Senate resolution as attempting to interfere in the internal affairs of sovereign states, as damaging the quest for a constructive solution to Russian-Estonian problems, and as undermining Russian-U.S. relations.'

"Do you support it?"

The Duma supported it. At this moment a group of deputies entered the auditorium—they had not been allowed entry to the government session. This show of flagrant disrespect for the deputies and the State Duma could have wrecked the session. Deputy I. Shichanin of Samara took the microphone to propose:

"The Duma signed the 'Treaty on Social Accord,' but we are not influencing policy, we are not being taken into account! I propose that we vote to withdraw from the 'treaty'!"

This was the first time this had been raised. The situation was critical.

Ivan Rybkin was able to get control of the situation in the auditorium. Without waiting for the discussion of proposals to come round, he put the question of the dismissal of M. Kvasov, leader of the government apparatus (with ministerial rank), to a vote. The Duma voted for his dismissal by a two-thirds majority.

Package of State Development Laws To Be Drafted

LD1807162594 Moscow ITAR-TASS in English 1440 GMT 18 Jul 94

[By ITAR-TASS correspondent Anna Melnikova]

[Text] Moscow July 18 TASS—A package of draft laws on vital problems of state development are to be drawn up and submitted for debating at the next session of the State Duma, Sergey Filatov, chief of the presidential administration, told ITAR-TASS on Monday.

Filatov believes this package is needed as lawmaking process in the State Duma has been gaining momentum of late and all problems cannot be solved by presidential decrees.

Regarding contents of the package of drafted documents, the chief of the administration pointed to draft laws on the legal system, on the federal executive bodies, on the government, as well as on the principles of organising state power in the Russian Federation. "The fact that these basic laws have not yet been adopted is a hindrance to lawmaking in Russia at present," Filatov said.

Deputy Urges More Funding for 'Closed' Cities

MM1807141794 Moscow NOVAYA YEZHEDNEVNAYA GAZETA in Russian 16 Jul 94 p 2

[INTERFAX report: "Priority Funding Recommended for Particularly Dangerous Production Facilities"]

[Text] The serious socioeconomic position of our so-called closed cities will be the subject of hearings to be held in the parliamentary center 19 July, Stepan Sulakshin, chairman of the State Duma Military-Industrial Complex Subcommittee, has announced. According to him, there are currently 26 "closed" cities in the Russian Federation doing work for the Defense Ministry and 10 doing work for the Ministry of Atomic Energy.

S. Sulakshin stressed that the "failure to fully finance the nuclear technological cycle poses a very serious threat to national security." He noted that the Law "On Closed Administrative-Territorial Formations" adopted by the former Supreme Soviet in 1992 is not in full force, since the government has still not issued a number of normative acts applying to it. In this connection the State Duma Committee for Industry, Construction, Transportation, and Power Generation is currently working on the draft law "On the Priority Funding of Particularly Dangerous Production Facilities."

The deputy noted that, at a time of a "shrinking budget," the principle of proportional reductions in its spending side is totally unacceptable.

In S. Sulakshin's opinion, the legal streamlining of the processes of demilitarization will also be prompted by the draft law—submitted for first reading to the State Duma 20 July—"On State Defense Orders" and by the draft law "On Mobilization Training" that is currently in preparation.

Federation Council Committee Pessimistic About Harvest

MM1907090994 Moscow RABOCHAYA TRIBUNA in Russian 19 Jul 94 p 1

[Report by Natalya Kuzina: "Thinking About Grain"]

[Text] The harvesting toil has started in Southern Russia. But the combines are working for just a day and then they wait for fuel. There is not even talk of haymaking.

What is the result of this? A. Zaveryukha, deputy chairman of the government, hopes that 95 million tonnes will nonetheless enter the granaries. Those who are less optimistic believe that we can count on no more than 80 million tonnes.

The pessimists include the overwhelming majority of members of the Federation Council committee for agrarian policy. They adopted a political statement which assesses the situation in the agro-industrial complex as an emergency and catastrophe. Recently an expanded session of this committee took place with the participation of State Duma deputies, farm leaders, and scientists.

According to the Russian Federation Government 23 February 1994 decree, budget appropriations to the agro-industrial complex should be 20 trillion rubles [R]. In the draft budget adopted by the State Duma they dropped to R17.1 trillion. And half of this sum is to consist of credits. Everything is "normal" as regards the credits. They are being given at an interest rate of 213 percent per annum. As for targeted appropriations so far the agro-industrial complex has not received a kopek.

A brief note for ardent supporters of the free market in the countryside, including the ending of subsidies: In the United States state subsidies are 40 percent, in Japan they are 80 percent. One wonders how those countries would survive on our market?

The Federation Council committee for agrarian policy was severe in its assessments. The political statement says: "The Russian Federation Government's policy is aimed at the total collapse of the agro-industrial complex, fails to ensure the country's food and economic security, and makes Russia's future dependent on the developed countries of Europe and America."

It is hard to say how far the latter assertion is fantasy, but right now the dairy plants of Moscow, St. Petersburg, and a number of other cities are producing 70-80 percent of their output from imported dried milk.

The sacred question, what is to be done, is resolved as follows in the political statement: "To restore the agro-industrial complex the government must elaborate, approve, and implement specific protectionist policy measures for 1994-1995."

However, here it should be noted that back at the dawn of the Russian Federation Supreme Soviet's legislative activity its second congress adopted four laws and a decree on the transformations in agriculture. The reform was accelerated by the president's 1991 edict.

We do not know if the parliamentarians will outdistance the president but it is a fact that after the 1994 harvesting toil there will be even fewer calories on our tables.

Regional Affairs

'Tension' Escalates in Karchay-Cherkessk

LD1807140094 Moscow ITAR-TASS in English 1203 GMT 18 Jul 94

[By ITAR-TASS correspondent Nikolay Styazhkin; "Karachay-Cherkessk: another ethnic conflict?"—TASS headline]

[Text] Cherkessk July 18 (TASS)—Tension is heightening in another republic in the northern caucasus—Karachay-Cherkess. Some regard this as a conflict between the parliament and the government, others belive that ethnic confrontation is in the offing.

The aggravation began with a conflict in the high echelon. Chairman of the republic's Government Vladimir Khubiyev in June refused to give an account to the top organ of the representative authority, the People's Assembly. Later Khubiyev refused to appoint as the republic's Interior Minister Aleksandr Volkodav who worked for many years in local organs of law enforcement. This was assessed in the socio-political bodies of the republic as the continuation of the policy of Vladimir Khubiyev's supporters aimed "at crowding out Russians and Cossacks from Karachay-Cherkess and at encouragement of petty nationalism".

An extraordinary congress of the mass public movement Rus was held in Cherkessk. Speaker of the People's Assembly Viktor Savelyev delivered a report to analyse the situation.

The congress decided to ask the Russian president to remove Vladimir Khubiyev, disolve organs of power in the republic as unconstitutional, introduce direct rule of the Russian president in the republic, support the decision passed three years ago by the constituent conference of the Karachay people to form the Karachay autonomous region and to demand that authorities of the Russian Federation restore the Batalpasha Russian district. The delegates also decided to ask Russian Interior Minister Viktor Yerin to endorse [the] appointment of Aleksandr Volkodav as head of the interior organs in the Karachay-Cherkess.

After that the republic's Council of Ministers issued a statement that actions regarding Vladimir Khubiyev were a nationalistic provocation. It was pointed to Speaker to the People's Assempbly Viktor Savelyev that "work should be based on the principles of equal attitude to all people and movements, not on rumours".

Tension was heightening after Vladimir Khubiyev suspended a decree enabling the People's Assemply to use part of the premises in the house of councils. The decision is explained by "the forming of new structures of the Council of Minister financed from the federal budget and the forming of the office of the People's Assembly of the Karachay-Cherkess Republic and the resulting shortage of room in the house of councils".

It is yet unclear what is taking place in Karachay-Cherkess, whether it is the tug of war between branches of power or something more serious. It is apparent that such conflicts run counter to the interests of peoples of the republic—Abaz, Karachay, Nogay Russians, Cherkess. It seems that representatives of the Karachay-Cherkess who signed an agreement on public accord in Russia do not confirm this with real care.

Russian-Speakers' Rights Group Set Up in Dagestan

LD1807132594 Moscow ITAR-TASS World Service in Russian 0859 GMT 18 Jul 94

[By ITAR-TASS correspondent]

[Text] Makhachkala, 18 Jul—"The protection of the rights of the Russian-speaking population of Dagestan" is the main declared task of the republic's socio-political organization "Russian Community" [russkaya obshchina]. The movement, officially registered today by the republic's Ministry of Justice, unites the 200,000 or so Slavs living in Dagestan. The organization's program notes that "in its actions 'Russian Community' will be guided by the constitutions of the Russian Federation and Republic of Dagestan.

Amur Oblast Governor Seeks More Economic Freedom

MM1807115194 Moscow ROSSIYSKIYE VESTI in Russian 15 Jul 94 p 3

[Article by Governor Vladimir Polevanov of Amur Oblast: "We Are Asking For Freedom, Not Subsidies"]

[Text] B. Yeltsin's visit was a good incentive for the oblast to develop more intensively. Some 10 billion rubles [R] has been allocated for building the fourth unit at the Blagoveshchensk TETS [heat and electric power station] and R20 billion has been allocated for continuing construction of the Bureyskaya GES [hydroelectric power station]—the biggest in the Far East. In line with the federal government's decision, we have drawn up a comprehensive program for the development of power generation in Amur Oblast through the year 2010. We plan to complete the creation of a free customs zone in Blagoveshchensk in the second half of the year. By the year's end we expect—revolutionary as it may sound—to have halted the industrial production slump.

Could we achieve even more? Yes, we could. On one, perhaps banal, but very substantive condition—if we have greater autonomy to resolve regional problems. It is bad that the federal government has no effective concept for implementing regional policy—a great deal, if not everything, in the relationship between the center and the provinces boils down to raising taxes. The oblast owes money, the kray owes money.... Of course they do—after all, Russia has lots of regions. Nobody is dreaming of abandoning what we hold sacred—I mean Russia's integrity and economic unity. But why is so much done blindly, on the same old principle of "revolutionary expediency" that tripped up the Bolsheviks?

Ours is a gold-mining oblast, yet we do not even have the tiniest gold reserves for solving our own problems. If we did have such reserves, we would not have to endlessly ask the center for money—after all, despite having known mineral and raw material resources alone worth R350 billion, Amur Oblast was a recipient of subsidies under developed socialism, and still is.

Another example—we have, as they say, a working border. Our total customs duties of R17 billion last year were remitted to the federal budget without leaving a kopek for ourselves. This despite the fact that 90 percent of the goods passing through the Amur customs are Russian. Moscow has arrogated the right to dispose of the regions' natural wealth. And so it is that first we send money to Moscow and then we get it back in the form of reduced subsidies, subventions, and grants. It is demeaning. Why this setup, one wonders?

We are prepared to give up subsidies and not be a burden on the state—but give us more economic freedom. This will ease the burden of responsibility on the center as well. After all, Moscow is not able to see everything regarding affairs in the regions—particularly far-flung regions—or how the situation changes by the day and by the hour in the course of implementing economic and political reform.

Minister on Financial Assistance for Kamchatka

LD1807151894 Moscow ITAR-TASS in English 1308 GMT 18 Jul 94

[By ITAR-TASS correspondent Sergey Borovkov]

[Text] Petropavlovsk-Kamchatskiy July 18 TASS—Russian Minister for Nationalities and Regional Policy Nikolay Yegorov who arrived in Kamchatka was met by pickets on Monday. The purpose of his visit is to study the situation with the delivery of cargos to the country's northern regions.

Pickets of power specialists in the streets of Petropavlovsk and near the main thermal power station demanded that wages be paid and all debts, mainly by the Defence Ministry, settled.

Yegorov told picketers that some 100 billion roubles were allocated to Kamchatka, also toward repaying last year's debts on credits. The minister said there is an opportunity to settle the debts to power specialists, at least the main debts.

There is a need of 9,500 billion roubles in order to ensure sufficient supply of cargos to the northern areas for the winter. Meanwhile the State Duma has endorsed the allocation of 6,400 billion roubles. The government now looks for other sources to cover up the shortage, Nikolay

Yegorov said. He deplored the fact that it takes from three to ten weeks for the money to reach the northern territories.

Pacific Fleet Workers Threaten To Strike

LD1907084894 Moscow ITAR-TASS in English 0753 GMT 19 Jul 94

[By ITAR-TASS correspondent Yuriy Grachev]

[Text] Vladivostok, July 19 (TASS)—Thousands of workers massed downtown Vladivostok on Tuesday for a rally organised by the local trade union.

Earlier, the workers of defence ship repairing yards gathered outside a military plant. Then the columns of protesters, carrying posters demanding immediate payment of overdue four-month wages, marched to the city's centre. Many of the workers had just stopped working and were wearing overalls. Some of them had come with their families.

Representatives from the atomic submarine repairing yard Zvezda and delegates from other local defence enterprises also participated in the rally.

The head of the local trade union committee of the Pacific Fleet, Vasiliy Grechko, said in his opening speech that the workers' demands are economic in character and the key claim is the guarantee of constitutional rights and regular payment of legally earned wages. However, some protesters demanded immediate resignation of the Russian president and government.

The rally ended with the adoption of an address to the local administration, the Russian Government and president. The protesters demanded prompt satisfaction of their claims. Otherwise, the workers of the defence ship repairing yards will go on strike which will weaken the defence potential of the Pacific Fleet and, finally, of Russia, they said in the message.

Krasnoyarsk-26 Workers Protest Wage Payment Delays

LD1507120194 Moscow INTERFAX in English 1017 GMT 15 Jul 94

[Text] The workers of the mining and chemical plant Krasnoyarsk-26, which produces weapons-grade plutonium, have been protesting, for five days running, delays in the payment of their salaries and wages. They refuse to leave the plant's subterranean facilities.

Labor leader Stanislav Podobed told Interfax that the workers failed to receive their May salaries and wages. They doubted, he said, they would get paid this month. The Krasnoyarsk-26 staff earn an average of 300,000 rubles a month.

Podobed refused to describe the protest action as a strike because strikes are forbidden at plants on the order of Krasnoyarsk-26. According to Podobed, workers simply voiced their indignation by refusing to leave the plant's underground facilities.

Some workers said, with growing frequency, that they felt no confidence in Boris Yeltsin and the federal government. Neither, they said, paid attention to the state of affairs at the country's nuclear plants.

Podobed said that workers were calling for the removal of the Chernomyrdin cabinet and pre-term presidential elections.

In the meantime, the Nuclear Energy Ministry told Interfax that consumers owed Krasnoyarsk-26 a total of 15 billion rubles.

According to the Ministry, Krasnoyarsk-26 is virtually standing still now that its nuclear reactor had been switched off for planned repairs.

On Monday Minister Viktor Mikhaylov is to visit Krasnoyarsk-26. He will be expected to meet with the staff and discuss moves to switch off altogether, in line with appropriate Russian-U.S. agreements, dual-purpose reactors.

Ministry spokesmen said a job reorientation program was yet to be drafted. In addition, they said, the city around the plant faced the problem of heating and energy production. Until now the plant supplied it with electricity.

Podobed said the protest action would continue until Mikhaylov arrived at Krasnoyarsk-26.

Fuel, Cash Shortages Force Cut in AES Hours

MM1507112994 Moscow PRAVDA in Russian 15 Jul 94 p 1

[Report from PRAVDA/ITAR-TASS column: "No Friday Working at Smolensk Nuclear Power Station"]

[Text] The Smolensk Nuclear Power Station has switched to a shortened working week—Friday is being treated as a compulsory day off. Consumers owe the station 137 billion rubles. Fuel has to be saved, because funds are low. The shortfall in generation by the nuclear power station since the beginning of the year is around 2 billion kilowatt-hours.

International Affairs

Treaty With Russia on Friendship To Be Sped Up

LD1807164194 Moscow ITAR-TASS World Service in Russian 1605 GMT 18 Jul 94

[Report by ITAR-TASS correspondents Viktor Demidenko and Mikhail Melnik]

[Text] Kiev, 18 Jul—In the course of today's telephone conversation the foreign ministers of Russia and Ukraine, Andrey Kozyrev and Anatoliy Zlenko, agreed to speed up the preparation of the draft treaty on friendship and cooperation. They have exchanged opinions on prospects for bilateral interstate relations.

Agreement Signed Providing Arms for Latvia

LD1807133994 Moscow ITAR-TASS in English 1121 GMT 18 Jul 94

[Report by ITAR-TASS correspondent Vladimir Chepurov]

[Text] Riga 18 July (TASS)—Latvia and Ukraine have signed an agreement on military cooperation under which Latvian officers will be able to visit Bosnia and Herzegovina as international observers within the Ukrainian military formations there. Latvia will purchase arms from Ukraine and exchange experience with the privates and officers of the Ukrainian Armed Forces.

The agreement was signed during Latvian Defence Minister Valdis Pavlovskis' three-day visit to Kiev. The Latvian minister met the leaders of the Ukrainian Defence and Foreign Ministries.

Military Delegation Attends CIS Defense Meeting

LD1807113694 Kiev Radio Ukraine World Service in Ukrainian 1000 GMT 18 Jul 94

[Text] A military delegation from Ukraine is attending, as an observer, a meeting of the coordinating council of the joint armed forces of CIS countries, which is being held in Moscow today. Colonel General Anatoliy Lopata, our first deputy defense minister, is heading the delegation. Before departing he emphasized that Ukraine's nonparticipation in CIS military structure does not mean that Ukraine stands aside from CIS-wide problems of defense capability. According to him, the Ukrainian military will welcome constructive decisions by the current meeting, directed at easing the Georgian-Abkhazian military conflict. However, they will not be putting forward proposals that military subunits from Ukraine should join the CIS peacekeeping forces in that region.

Navy To Take Part in Joint Exercise in Black Sea

LD1807194094 Kiev UNIAN in Ukrainian 1840 GMT 18 Jul 94

[Text] Sevastopol [no dateline as received]—Between 25-28 July in the southwestern part of the Black Sea, the Bulgarian Navy will hold an operational and tactical training exercise—"Bryz-94" that will involve ships from Greece, Romania, Turkey, Ukraine, Russia, and the U.S. Sixth Fleet. The main task of the training exercise is the Bulgarian Navy's participation in UN peacekeeping operations on rendering humanitarian assistance. The aim of "Bryz- 94" also includes strengthening trust in the Black Sea region through carrying out joint activity by the navies of various states on the sea, training management bodies to participate in joint humanitarian and rescue actions in UN peacekeeping operations, and the exchange of experiences by the ships' personnel during the course of joint actions on the sea.

Over 20 ships and vessels and the air force will take part in the training exercise, in particular, the escort ship Ladny from the Black Sea Fleet and the escort ship Lutsk from the Ukrainian Navy.

National Affairs

Kuchma Sworn In as President

LD1907080994 Moscow ITAR-TASS in English 0750 GMT 19 July

[Report by UKRINFORM correspondent Aleksander Litvinov and ITAR-TASS correspondent Viktor Demidenko]

[Text] Kiev, 19 July (TASS)—Ukraine's President Elect Leonid Kuchma has just been sworn in as the independent republic's second president at a special session of the Supreme Soviet (parliament) of the Republic of Ukraine.

Kuchma 'Exclusive' Interview on Government Composition

LD1807175294 Moscow INTERFAX in English 1549 GMT 18 Jul 94

[From the "Presidential Bulletin" feature No. 136 (626): Compiled by Nikolay Zherebtsov, Andrey Petrovskiy; Edited by Vladimir Shishlin]

[Text] President-elect Leonid Kuchma said in an exclusive interview with INTERFAX before his inauguration that he was ready to cooperate with Premier Vitaliy Masol. Kuchma also said he was in favor of certain changes in the present composition of the government.

Kuchma said he believed that the appointment of the premier nine days before the presidential elections was not a correct move on the part of the parliament. Kuchma added that he knew Masol as a professional and

that he would try to work with him knowing that Masol was also in favor of reforming the economy.

Kuchma said he would initiate changes in the Ukrainian Government in the near future. In particular, Kuchma said he believed that he would have enough arguments to convince the parliament to agree with the proposed candidacies for ministers. Kuchma made it clear that this could affect the new Foreign Minister Anatoliy Zlenko and new Defense Minister Vitaliy Radetskyy (they have the reputation of supporters of hard-line policy when resolving the most complex issues concerning relations with Russia, for instance that on the Black Sea Fleet—IF).

Kuchma intended to include Director of the Center of Economic Reforms, former candidate for the Ukrainian presidency Vladimir Lanovoy and other well known specialist in macroeconomics, former vice premier Viktor Pinzenik in his team. However, Kuchma did not say how he wanted to use Lanovoy and Pinzenik. "Today the government structure must not be broken. I hope for the reasonable mind of Masol since he has reasonable people in his government," Kuchma added.

IF Note: Lanovoy who had earlier said that he was ready to join the team of Kravchuk, stressed, however, that the present composition of the Ukrainian Government must be radically changed. During his recent meeting with journalists Lanovoi said he considered the appointment of a new premier as the prior task of the president's team. "If this does not happen it will show that Kuchma lacks initiative," Lanovoy said. He said he believed that if a new premier was appointed the composition of the present Ukrainian Government would change by 60 percent or 70 percent. Lanovoy criticized the parliament stating that it was trying to dominate over the legislative bodies and local authorities. "The institution of presidency is being undermined," he stressed. Lanovoy said he believed that everything would depend on what position Kuchma would take since he must be enjoying his constitutional rights.

Kuchma said he hoped for productive cooperation with the Ukrainian parliament. He said the reason for this consisted in the recent consultations with the parliament's Speaker Aleksandr Moroz and the leaders of the largest factions.

Kuchma said the he would complete the formation of his administration in the near future. The president's apparatus will be headed by Kuchma's closest Advisor Dmitriy Tabachnik. The president's administration will work out a program of economic reforms. Kuchma said he was ready to invite all economists, including Russian ones, to take part in working out this program.

Kuchma said he believed liberalizing the tax policy and speeding up privatization to be the main task of the legislative power. He added that privatization would allow producers to work normally. Kuchma stressed, however, that the reforms must be implemented under control exercised by the state.

"There have yet been no single move towards reforming the economy," Kuchma said.

Commenting on the issue on nuclear weapons, Kuchma stressed it was necessary to carry out the Moscow agreement on nuclear disarmament of Ukraine signed by the Ukrainian, U.S., and Russian presidents.

However, Kuchma said that after Ukraine withdrew its nuclear warheads it could remain in the face of the missiles with expired guarantee term. Kuchma said Ukraine would fail to resolve such a problem on its own.

Commenting on the proposal to create a new political union between Russia and Ukraine, Kuchma said the CIS was such a union. He said he believed that the two countries must be trying to establish normal civilized relations within the scope of the CIS and "then life will show what to do."

Kuchma confirmed his intention to develop friendly relations with Russia. He added that at the same time the Ukrainian economy must widely opened for Western countries. He said Ukraine must not be a bridge between the CIS and Western countries instead of a sanitary cordon between them.

Kuchma said he believed that Russia's part of the Black Sea Fleet must be based in Sevastopol. "Russia will not leave Sevastopol. This is quite obvious," he said. However, Kuchma stressed that Ukraine would allow Russia to lease only navy bases and not the city itself. He said he believed that Russia should take part in financing the social infrastructure of Sevastopol.

Commenting on the status of the Russian language in Ukraine, Kuchma said, "The Russian language must become official and not to be considered as foreign in Ukraine. The legislative power must give to Russian the status of an official language," he added.

Republican Party Leader Denies Cooperation

LD1807165894 Kiev UNIAN in Ukrainian 1545 GMT 18 Jul 94

[Text] Lvov—On 17 July the Ukrainian Republican Party [URP] held a popular assembly in the center of Lvov in order to inform the people of its position regarding the new president of Ukraine, Leonid Kuchma. "The undermining of Ukrainian statehood will begin furtively," warned Oleh Pavlyshyn, chairman of the URP oblast organization. "Leonid Kuchma will begin his activity, first and foremost, with an economic union with Russia and will then take political steps, that is, Ukraine's full accession to the CIS along with the creation of suprastate bodies."

Oleh Pavlyshyn said that the URP will not cooperate with the new president and called on all Lvov residents to diligently watch Leonid Kuchma's steps and to react "with all non-violent means to his anti-state actions."

"We will force the new president to understand that right-bank Ukraine exists and that it voted against him," he said.

URP Chairman Mykhaylo Horyn also made a speech at the rally. He said that his party is not yet about to declare open and rigid opposition to the newly elected president. But if Leonid Kuchma departs from the position of statehood, he said, then the republicans "will fight against the presidential line in a civilized manner." "Our entire policy in the current phase should be directed at finding an alternative to Russian energy sources," Mykhaylo Horyn said. We always criticized Leonid Kravchuk for the very slow departure from economic relations with Russia and for the slow reorientation of our state's economy toward the economy of western states. Leonid Kuchma, however, criticized the former power for the disruption of ties with Russia. This is precisely our principled discrepancy with the current president.

Mykhaylo Horyn promised Lvov's inhabitants that the republicans will not allow Leonid Kuchma to create an economic union with Russia or sign the CIS charter by means of which, in Mykhaylo Horyn's view, Ukraine would be taking a decisive step toward joining the former empire.

Administration Retains People Loyal to Kravchuk

MM1907100794 Moscow IZVESTIYA in Russian 16 Jul 94 p 2

[Report by Yanina Sokolovskaya: "L. Kuchma Inherits L. Kravchuk's Team"]

[Text] Kiev—Leonid Kravchuk, who the other day sent Leonid Kuchma congratulations and wishes "to ensure Ukraine's further development along the path of democratization," has maybe managed to achieve the main thing: To retain loyal people in leadership positions. After the rapid formation of the most important section of the cabinet of ministers, it emerged that Kravchuk's "party of power" had not surrendered its positions. All that has happened is a sideways reshuffle.

Valeriy Samoplavskyy—Ukrainian forestry minister under Kravchuk—became first vice premier.

Anatoliy Dyuba became vice prime minister for problems concerning fuel and energy, metallurgy, and chemicals. In Kravchuk's government he headed the State Committee for Labor Protection. Another newly elected and little-known vice premier, former Construction Minister Vladimir Plitin, will, unlike the others, be dealing with matters for which he has an affinity—construction questions. Plitin is on friendly terms with Kuchma: At one time his trust built "Yuzhmash," of which Leonid Danilovich was director.

Yevgeniy Marchuk, former chief of the Ukrainian Security Service, was the best known among the vice prime ministers. He was appointed to the post of vice prime minister for questions of defense and state security at Kravchuk's instigation in the last days of his rule. Marchuk cannot be called Kuchma's man, nor can Valeriy Malikov, appointed chief of the Ukrainian Security Service.

An interesting aspect: Parliament approved the head of the power ministry after Kuchma's election but under Kravchuk's proposal. The official reason for this action was simple—Kuchma had not been inaugurated, which means he did not have the power.

As Marchuk's former first deputy, Malikov will be working hand in glove with him. The real participation in this of a third person—President Kuchma—is in doubt. One of Leonid Danilovich's main preelection theses—a real fight against the mafia—is now in question.

The second power ministry—defense—has not undergone any personnel changes. But, based on Kuchma's promise that "everyone will get his just deserts," Minister Vitaliy Radetskyy will have to quit his post.

All these appointments were made without Kuchma's knowledge and participation, because the upper echelons did not suspect that he could win. Even if the new president fills the remaining niches in the cabinet of ministers with "his own people," he is unlikely to be able to fully control the government's work.

One of the leading roles in Kuchma's apparatus will be played by Dmitriy Tabachnik, a historian and publicist who organized and masterminded Kuchma's election campaign. But there are no market specialists in his entourage at the moment. Economist V. Lanovoy, to whom Kuchma promised a suitable place in his presidential team, has not yet been offered this.

Deputies View Kravchuk Defeat, Kuchma Prospects

WS1907075494 Kiev KYYIVSKA PRAVDA in Ukrainian 14 Jul 94 p 1

[Interview with Volodymyr Pylypchuk, member of the "Tsentr" faction in the Supreme Council, and People's Deputy Oleksandr Lavrynovych, secretary of the Popular Rukh, by Yu. Nepomnyashcha; place and date not given: "Why Did Leonid Kravchuk Lose?"]

[Excerpt] [Passage omitted] [Nepomnyashcha] Why did Leonid Kravchuk lose the presidential elections?

[Pylypchuk] The point is not in Kravchuk, but in the economic situation. If the situation had been far better, he would surely have won, or the election would not have been necessary at all. When there is an aggravated economic situation, people usually vote those people in power out of office. Furthermore, they think that a new man will come and make everything better. A question may arise—how has Leonid Kuchma, who performed poorly as prime minister, managed to preserve his image

of a deliverer? While serving as prime minister, however, Kuchma was in conflict with the Supreme Council and the president. That is to say, he had the image of a rebel.

[Lavrynovych] Kravchuk lost these elections due to the fact that he has not outlined his conduct and a strategy for state development, first and foremost, in the economic sphere. The lack of a clear concept accounted for the lack of any positive results and positive prospects during the period of Kravchuk's presidency. This, surely, influenced the people's choice.

[Nepomnyashcha] Could any positive results have been achieved during his two and a half years in office?

[Lavrynovych] There might have been results, but not necessarily in a purely material sense. They might have been in some integral outset for the implementation of economic reforms and the building of state institutions. Instead, we were thrown back and forth, from one side to another. Therefore, in the fight between Kravchuk and Kuchma, the people rejected what was more known to them and chose that which promised some hope. They do not yet know whether things are going to be better or worse. They do hope, however, that things will be otherwise. I think that the majority voted exactly for this—**the other option.**

[Nepomnyashcha] Will people in western and other oblasts who voted for Kravchuk accept Leonid Kuchma as their president?

[Pylypchuk] Yes, the elections have shown that Kravchuk scored only a little over half of all the votes cast. In particular, the west voted for Kravchuk, because it was afraid of the [Soviet] Union, the return to an administrative command system, Russification, etc. The election campaign, however, is one thing, whereas reality is quite another. If Kuchma establishes contacts with western regions through his activities and manages to make them attractive for the east, he will become a desirable president for everybody. It is within a man's capabilities. All the more so, within the president's.

[Lavrynovych] I think that, having become president, Leonid Kuchma will pay more attention to the development of the state and the search for ways to prove his value in this post, instead of transforming himself into a second-rate politician subordinated to the will of other people from outside the borders of our state. That is to say, I hope that he will not be looking northward too often. Otherwise, he will not be capable of fulfilling what he has promised.

[Nepomnyashcha] What difficulties will the new president face? What are his fundamental tasks?

[Pylypchuk] The primary issue is the standard of living. In 90 percent of cases, people assess politics from the perspective of their stomachs. It can be criticized or objected in general, but it has to be taken into account. What do the people want? A better life. What must be done to achieve this? Economic reforms must be implemented—quickly and with first-rate skill. There are many problems; many more problems than scenarios for their resolution.

[Lavrynovych] In the first place, difficulties will occur in the administration system, which is the same as it was in 1989. If Kuchma succeeds in breaking this system, there will be a positive aspect in management and economic reform. If Kuchma fails, he will be doomed to remain motionless and ripe to become the next disappointment of those who elected him president.

[Nepomnyashcha] Will Leonid Kuchma be able to work with a government which was formed without his participation?

[Lavrynovych] I have always opposed the idea of forming the government just a few weeks before the elections.

[Pylypchuk] I think that Kuchma's team struggled to not be moved aside by now. I cannot say, however, that the current government is a stable body. I liked Vitaliy Masol's program very much when he was fighting for power. This program coincided with mine 90 percent of the time. However, where are the actions? The prime minister was advocating the abolishment of this wild exchange rate, which has recently become fixed. Yet, he is silent on this issue now. This issue is already being withdrawn from the parliamentary agenda thanks to a motion also proposed by the prime minister. This is not an isolated example. That is to say, the old principle of party bureaucrats is at operation again—one thing is meant, another is announced to the people, and yet another is implemented.

[Nepomnyashcha] Vyacheslav Chornovil stated that Rukh will cooperate with the new president...

[Lavrynovych] The leading bodies of Rukh have not yet determined their stance on this question. We usually do not, however, want confrontation for the sake of confrontation. If Kuchma takes steps which do not exceed the bounds of our program for state building, we will support him as we supported Leonid Kravchuk. If he calls on us to enter the ruble zone or to unite the Armed Forces with Russia, we will categorically obstruct these processes. As far as I know, however, Kuchma does not desire such things. Generally, it seems to me that Kuchma will evolve while in the presidential chair. He will be influenced by the situation, he will experience opposition from various groups in power. He will feel responsibility for the state. I think that he will become a strong supporter of statehood. He has no other option.

'Ukrayina' Bloc Leader on Kuchma Election

WS1807072694 Kiev KIYEVSKIYE VEDOMOSTI in Russian 14 Jul 94 p 3

[Article by Maryana Oleynik: "Dmytro Pavlychko: Leonid Kuchma Should Continue the Cause of Leonid Kravchuk"]

[Text] "We should look closely at the first, second, and third steps taken by the new president," Dmytro Pavlychko stated in an interview with KIYEVSKIYE VEDOMOSTI. The leader of the "Ukrayina" democratic coalition added that they are alarmed by certain electoral promises made by Leonid Kuchma. If the new state leader insists on Ukraine's joining an economic union, abolition of borders, etc., the atmosphere in the country will become extremely heated. Promises are one thing, but the president's practical policy will probably be somewhat different. It must be recalled that Leonid Kravchuk, while beginning his duties as Supreme Council chairman, was gradually becoming aware of the great tasks facing him and the state. Pavlychko is pleased that the new president speaks of his predecessor with respect. Leonid Kuchma, Dmytro Vasylovych believes, should continue the line of Leonid Kravchuk, and not correct it.

Asked his opinion on the threat of "Ukraine's division along the Dnepr river," the democratic coalition leader said that, in his opinion, such a threat does exist. This will not, however, be a division along the Dnepr, since even the Crimeans, albeit not many, voted for Leonid Kravchuk, as well as people from western Ukraine voted for Leonid Kuchma. Still, one fact is clear: Opposing forces have become localized. Kuchma should not forget that half of the Ukrainian people were against his election as president. He is currently facing a very serious task: To find the key to the country's unification—unification of those who voted for him with those who voted against him. In this regard, the president-elect should do everything possible to ensure that democratic forces see him not as an enemy, but as a state leader.

"This means that if Leonid Kuchma makes a move to meet us half way, the democratic forces will be ready....

"Our cooperation is very possible. True, I am now presenting my own viewpoint. The 'Ukrayina' democratic coalition has not yet worked out a common strategy. I believe, however, that a calm, weighed position should be acceptable to everyone. I am against 'hard-line' opposition to the president, who has been legitimately elected by the people. I, by the way, was a very active supporter of Leonid Kuchma when he became prime minister. This time, I was supporting and canvassing for Leonid Kravchuk. Still, what happened, happened, and we should use all our wisdom and experience to not let anyone tear such a great European state as Ukraine into pieces.

"By the way, no matter how paradoxical it may seem, the election of Leonid Kuchma as president will be beneficial for the democratic forces: This will mobilize us, and as the saying goes, it will ensure that we are always on the alert. Although we will adjust our actions to meet the situation, I believe that the new president's position will also evolve, if he really wants to govern the state wisely."

Summary of By-Election Candidates

LD1807140494 Kiev UNIAN in Ukrainian 1300 GMT 18 Jul 94

[Text] Kiev—A UNIAN correspondent learned on 18 July that 920 candidate deputies will be running in 112 electoral districts in the by-elections to Ukraine's Supreme Council on 24 July. The 77 women and 843 men include 725 Ukrainians, 157 Russians, 7 Jews, and 5 Poles. Some 831 candidates have higher education. By profession there are 198 engineers, 123 educationalists, 122 lawyers, and 79 economists. By employment there are 116 employees of state enterprises and establishments, 109 education employees, 85 directors of state enterprises and organizations, 89 entrepreneurs, and 60 employees of state administrations.

There are 732 nonparty candidates, while 188 have declared their party affiliation as follows:

Communist Party of Ukraine—71 candidates
People's Movement of Ukraine—34
Socialist Party of Ukraine—15
Ukrainian Republican Party—nine
Democratic Party—eight
Constitutional Democatic Party of Ukraine—six
Congress of Ukrainian Nationalists—six
Peasant Party of Ukraine—six
"State Independence of Ukraine" association—five
Party of Democratic Revival of Ukraine—four
Labour Congress of Ukraine—three
Civic Congress of Ukraine—three
Social Democratic Party of Ukraine—three
Party of Ecomomic Revival of Crimea—three

The following have nominated one candidate each: Liberal Party of Ukraine, Christian Democratic Party, Ukrainian Party of Justice, Party of Slavic Unity of Ukraine, Party of Greens of Ukraine, Ukrainian Beer Lovers Party, Ukrainian National Assembly, Ukrainian National Self-Defense.

Some 551 candidates have been nominated by electors, 81 by political parties, and 288 by labor collectives.

Nationalists Call for Unity in Face of 'Danger'

LD1607094394 Kiev UNIAR in Ukrainian 2145 GMT 15 Jul 94

[Text] Kiev, 15 Jul—The Organization of Ukrainian Nationalists [OUN] leadership has issued a statement on the election of Leonid Kuchma as Ukraine's president on 10 July of this year. The statement notes: "Kuchma's victory does not attest yet to his program's persuasiveness. This victory demonstrates the Ukrainian people's dissatisfaction with policies by all government structures in the past two and a half years. That is exactly why protests by the population have led to all government structures in power, including the president, having been replaced. There is no doubt that these sentiments by the population will be used by pro-imperial forces to prove the 'inability' of Ukraine to be an independent state.

Understanding the danger to Ukraine as an independent state, the OUN is at the same time convinced that Kuchma's election victory must in no way undermine confidence in Ukrainian statehood. On the contrary, it points to the need for the maximum consolidation and unity of all national and statehood forces. Misunderstandings between national democratic parties and organizations should end. The process of coordination of activities by all Ukrainian nationalist formations should intensify, particularly so now, ahead of people's deputies' elections to the Supreme Council of Ukraine, which are still unfinished."

Decline in Industrial Production Reported

LD1807114194 Moscow INTERFAX in English 1014 GMT 18 Jul 94

[Text] Industrial production in Ukraine, according to its Ministry for Statistics, fell nearly 40 percent in the first half of this year as compared with the same period last year, while industrial output dropped 10 percent from May to June alone.

The industrial production decline, which was only 5 percent in the first six months of 1993, has been at record-breaking levels since the start of this year.

Engineering and metallurgy have been hit the hardest by the decline. The output of steel pipes has dropped 64 percent, that of metal cutting lathes 72 percent, tractors 74 percent, and cars 30 percent.

Consumer goods manufacturers are in despair: the production of color TV sets has shrunk 63 percent, tape recorders - 84 percent, vacuum cleaners - 58 percent, washing machines - 42 percent, the amount of meat and dairy products produced in the country has dropped by nearly one third.

In January-June 1994, Ukraine produced 2.1 million tonnes of crude oil and 9.2 billion cubic meters of gas. Oil extraction was down 1.7 percent and gas production 4.6 percent while oil refinement slumped 41-47 percent as compared with the first half of 1993.

Crimean Deputy Minister Views Elections

944K1771A Simferopol KRYMSKIYE IZVESTIYA in Russian 14 Jul 94 p 1

[Commentary by Crimea Deputy Prime Minister Yevgeniy Saburov, recorded by O. Kulakovskaya: "A Victory for Democracy: For the First Time, the President Leaves Without a Shootout—Crimea Deputy Prime Minister Yevgeniy Saburov Appraises the Results of Ukrainian Presidential Elections"]

[Text] In my opinion, the results are extremely positive. Not even to mention my personal preferences....

I went to introduce myself to former President Kravchuk, as they say, with an open mind, although I knew that one could not believe a single word he said. As a rule, however, whenever I meet a person for the first time, I speak openly, no matter what I may know of him. If he deceives me, this will be one time. I will not deal with that man again.

Leonid Makarovych showed himself in all his glory. We had a frank two-hour-long discussion. Two days after I left, having convinced him—or so I thought—that it was a bad idea to appoint a presidential viceregent to the Crimea, that we cannot afford to exacerbate the situation, he did everything exactly the opposite.

Still, I am deeply grateful to Kravchuk and in the end want to say a few good words about him. To a great extent it is to his credit that we have witnessed not just elections, but a breaking point: For the first time, a new president was elected in a peaceful, democratic way. And most importantly, the old one is leaving without a shootout.

He bit as much as he could; he dug his nails into that chair, but, having lost, he does not start a shootout.... And this is a very important victory.

As to Leonid Danilovych, he is, of course, a completely different type of personality. He may make mistakes, has made them, and probably will make more. But he is a man whose mind is oriented toward economic management, a man of statesmanlike mentality. Not the mentality of party corridors, but the kind where a politician understands that his well-being depends on the well-being of the people.

I do not expect, however, that Kuchma's arrival will immediately produce a breakthrough in the situation. It is unlikely that Leonid Danilovych will be able to take the reins of authority into his hands in the nearest future. Ukraine practically does not have a constitution, and it is completely unclear who has what powers. There is a Red parliament—completely Red, like a tomato. There is a government approved by the parliament in a terrible hurry without the president. To what extent it will be in contact with the president is still unclear. Besides, there is not a single specialist in macroeconomics in the government. Not a single one. This is incredible! And this is Ukraine, a country that issues its own currency!

I think that under the new president, attitudes toward Crimea should change dramatically. Judging by preliminary conversations, Kuchma will facilitate reforms in Crimea. Perhaps even not along the Ukrainian pattern, but in a way that we will define for ourselves. Masol also agrees to let Crimea conduct anticipatory reforms. They have a desire to let us try, and if we succeed, extend our experience to the entire of Ukraine. Suffice it to say that our president's edict on foreign currency regulation, to the best of my knowledge, elicited admiration on the part of Kuchma and close attention on the part of Masol.

There is another matter that is very important for us now: We need to break through the banking blockade. A decree was already adopted at a government meeting on licensing of foreign banks, which is aimed at precisely

this breakthrough. The Crimean Supreme Council approved the government program. Thus, the moratorium on privatization for all practical purposes has been removed. Now our task is to begin it as soon as possible.

Crimean Defense Sector Outlines Prospects

WS1907110494 Simferopol KRYMSKAYA PRAVDA in Russian 12 Jul 94 p 2

[Interview with Anatoliy Romanovich Franchuk, Crimean minister for managing state enterprises, by I. Dyakov; place and date not given: "Second Wind of Defense Industry"]

[Text] The state-owned sector of the economy is experiencing hard times. Due to a lack of raw materials, working capital, and customers for ready-made goods, as well as the high cost of bank credits, many enterprises are standing idle or working only part-time. What is the Crimean Government doing to improve the situation? We asked Anatoliy Romanovich Franchuk, Crimean minister for managing state enterprises, to comment on this subject.

[Dyakov] Anatoliy Romanovich, it seems to me that our defense enterprises are experiencing tough times....

[Franchuk] The situation in this sector is exacerbated by the disruption of economic links with our partners in Russia. My point is that our defense industry received 70-80 percent of its raw materials and spare parts from Russia. Almost all of its production was exported to Russia. It is not hard to imagine what happened when these relations were disrupted.

To survive, the collectives of defense enterprises began converting their production, that is to say, they began reorienting themselves toward civilian needs. Given Ukraine's self-inflicted isolation, this is, however, difficult to achieve. We faced the threat of losing high-quality technological products, as well as a reduction in our production-and-technology potential.

[Dyakov] It means that you cannot operate unless we overcome the state's self-inflicted isolation.

[Franchuk] The government has recently embarked on active measures directed at overcoming the crisis in the defense industry. Special attention was paid to the restoration of contacts with Russian defense enterprises. Having analyzed the situation, our government invited a delegation from the Russian State Committee for Defense Sectors of Industry, headed by V. K. Glukhov.

Guests met and spoke with leaders of enterprises and industrial associations located in Kerch, Feodosia, Simferopol, and Sevastopol. Those meetings resulted in the signing of an agreement—between the Crimean Government and the State Committee—on economic cooperation. The sides took it upon themselves to ensure state support for cooperation between appropriate enterprises—with various forms of ownership—in the Crimea and Russia on the basis of preserving and developing economic relations. They will pursue an agreed-upon pricing policy and oppose partners' attempts to receive hard currency as payment for their products.

[Dyakov] Abstract, obscure paragraphs of agreements usually remain only on paper....

[Franchuk] This time, the point involves specific innovations. A list of moves aimed at encouraging cooperation in a number of sectors has been drawn up. Due to this, ship-building, instrument-making, electronics, and mechanical-processing enterprises should, as we put it, get their second wind.

The work of the Russian defense sector is also complicated without our products. Therefore, Russian markets will be again opened for us. Raw materials and spare parts will again flow to our defense sector.

[Dyakov] Other Crimean enterprises are not working at full capacity either.

[Franchuk] Productive negotiations have been held with N. A. Pugin, president of "GAZ" stock holding company, who visited the Crimea. Several weeks ago, taxes on vehicles produced at the Gorky vehicle factory were reduced. This resulted in reduced prices. They became the cheapest products available in the region compared to both Ukraine and Russia. An opportunity to sell more vehicles in Crimea arose. It is clear that due to these taxes, more money will remain in our budget. An appropriate agreement regarding this move was reached with the "GAZ" president. It is also very important that we will produce special vehicles—using a Nizhniy Novgorod-made chassis—and sell them all over Ukraine and, maybe, abroad.

[Dyakov] What will Crimea acquire from the development of relations with regions in Russia?

[Franchuk] Thanks to this cooperation, we will be able to more fully satisfy our demand for fuel and energy resources, as well as consumer goods. Agreements have also been signed, for example, with Tatarstan. Within the framework of this agreement, our factories and associations—especially "Fiolent," "Foton," and "Sisikar"—can directly cooperate with Tatar enterprises. Russia creates the most favorable conditions, including customs rules, for this. We should also embark on similar moves and act independently.

Sevastopol Council Views City Status, Fleet

944K1769A Simferopol KRYMSKAYA PRAVDA in Russian 14 Jul 94 p 1

[Article by G. Staroverov, KRYMSKAYA PRAVDA special correspondent: "The First Session of the Sevastopol City Soviet"]

[Text] The first session of the Sevastopol city soviet of the 22d convocation opened on 12 July. Twenty-one questions were submitted for its examination. Only nine

were discussed at the first meeting. The rest were carried over to the next meeting. The session was completely devoted to organizational questions. As was emphasized in the speech of V.M. Semenov, the chairman of the city soviet, by the end of the year the city should have two completely formed branches of authority—the city soviet and the executive committee.

Questions concerning the temporary regulation of the city soviet and the organization of a commission on the preparation of a draft of this regulation were examined at the first session. Nine permanent commissions of the city soviet were organized and their chairmen elected. The powers of all 50 deputies were confirmed.

A misfire occurred during the discussion of the question of the deputy chairman of the city soviet. A.N. Kostenetskiy, who works as the supervisor of the judicial department of the secretariat of the city soviet, was proposed as a candidate for this post. He is fully trained for such a responsible position. But, he suddenly withdrew his candidacy. And, it was decided to examine this question at the next meeting.

Sevastopol's old coat of arms was approved at the session. It had been adopted exactly 101 years ago. The coat of arms was reproduced on an enlarged scale and placed in front of the tribunal in the meeting hall. It seems it would be of interest to the reader to know what it consists of. A silver griffin on a dark red shield. The upper part of the shield is the emblem of the Tauri province. The shield is crowned with the ancient tsarist crown on which the imperial eagle stands. Behind the shield are two crossed golden anchors, and to the sides of the shield there are two dark red banners joined by a ribbon of the Order of St. George, the great martyr and conqueror.

It is as if this coat of arms confirms the historical belonging of Sevastopol and that it is a part of the Crimea. In this connection, the speeches of many deputies raised the question on the status of the city. Moreover, they relied on the results of a recent poll of the residents of Sevastopol, a majority of whom supported the city's being the main base of the Russian Black Sea Fleet. It was said that these results were reported to the leaders of Russia and Ukraine. And preparations are going on now to examine the status of Sevastopol at the session of the city soviet.

Deputy Defense Minister on Possible Reshuffle

LD1807194394 Moscow INTERFAX in English 1753 GMT 18 Jul 94

[Text] Ukrainian First Deputy Defense Minister, Chief of the General Headquarters, Colonel-General Anatoliy Lopata did not rule out a possible reshuffle in the Defense Ministry following the election of Leonid Kuchma as Ukrainian President.

He said in an interview with INTERFAX today that he did not want any significant reshuffle in the command of the armed forces to take place at this moment. Lopata said he believed this would have a negative impact on the Ukrainian army.

Lopata also said he had no doubt that cooperation between the Russian and Ukrainian armed forces would develop further. He said Russia, in particular the Russian Defense Ministry, was always trying to meet the wishes of Kiev on military and technical cooperation.

"If Ukraine had money I think we would buy everything that we were offered," Lopata said. He said he regretted that Kiev did not support such cooperation financially.

Commenting on the possible participation of the Ukrainian Army in the peacekeeping operations on CIS territory, Lopata said that Ukraine had always been trying to contribute to maintain peace on former USSR territory and would not remain aside today.

Lopata stressed, however, that only the Ukrainian parliament had the authority to make decisions on allotting forces for participation in peacekeeping operations and their financing.

Belarus

Lukashenka: Economic Draft 'Intentionally Complicated'

WS1807131294 Minsk Radio Minsk Network in Belarusian 1200 GMT 18 Jul 94

[Text] As a BELINFORM correspondent has learned from reliable sources, Belarusian President-elect Alyaksandr Lukashenka has categorically rejected the first draft of the report which was drawn up for him by a group of experts—including Belarusian National Bank Chairman Bahdankevich, first Deputy Prime Minister Myasnikovich, Finance Minister Yanchuk, and Minister of Economy Linh—for the upcoming session of the Belarusian Supreme Soviet. The president's key argument is that there are (?discrepancies) between the (?conclusions) of the drafted report and the provisions of his program. The president also drew the attention of People's Deputy Viktar Hanchar, who coordinated the drafting of this report, to the inadmissibility of the report's intentionally complicated wording. The president' policy, said Alyaksandr Lukashenka, should be clear not only to politicians but, first of all, to voters.

Lukashenka Aide Outlines Program To Combat Corruption

WS1807114794 Minsk RESPUBLIKA in Russian 14 Jul 94 p 2

[Interview with Mikhail Sazonaw, adviser to President-elect Alyaksandr Lukashenka, by Uladzimir Abramovich; place and date not given: "How To Curb Corruption?"]

[Text] Quite recently, Mikhail Sazonaw occupied the high post of deputy chief of the Interior Ministry Department for Fighting Economic Crime. The experienced specialist was then assigned to the provisional deputies' commission headed by Alyaksandr Lukashenka. Despite his supervisors' demands, Sazonaw refused to abandon the commission. As a result of this, he was dismissed from the Interior Ministry. Within the Lukashenka team, Mikhail Sazonaw is the actual chief of the group of experts responsible for drafting a program for fighting corruption. He believes that, in light of current circumstances, law-enforcement agencies are unable to fight this negative phenomenon. Why?

[Sazonaw] When I was working in the Interior Ministry, I used to deal with corruption cases on a daily basis. Other law-enforcement bodies, too, pay much attention to this problem. The fight against this evil phenomenon, however, does not produce tangible results because until recently, administrative agencies had no interest in improving the situation. There were officials at every level who had their hands in the cookie jar, but there was a strict ban on prosecuting them. Investigators could only collect data, while bureaucrats were protecting one another.

Take any rayon as an example. Local managers are all closely interrelated there. When Supreme Soviet Chairman Myacheslaw Hryb once said that when he was working in the militia, nobody meddled in his work and Interior Ministry agents smiled. They know perfectly well that those who "dig too deep" must often "face the music."

[Abramovich] How deeply, in your opinion, is corruption rooted in our current life? How are you going to fight against this phenomenon?

[Sazonaw] Without eradicating corruption, we will not be able to carry out political or economic reform, for reform could be strangled by red tape. The program which is currently being drafted and improved by the Lukashenka team is aimed at putting an end to this spree of lawlessness and, as Alyaksandr Lukashenka has said, bringing the state back from the edge of the abyss. Incidentally, experienced specialists from the Interior Ministry, the Prosecutor's Office, and the KGB were involved in drafting the program of urgent measures.

Our understanding of the term "corruption" is somewhat broader than that of many lawyers.

There are only three Criminal Code articles which permit the putting of corrupt officials on trial. These are bribes, acts which go beyond an official's area of responsibility, and abuses of office. Thus, limiting the fight against corruption to criminal punishment would amount to forcing the problem into a dead end.

The dictionary meaning of the word "corruption" is bribery, while in Latin it means "spoil." I think that the latter meaning provides a more correct definition of that negative phenomenon. Our state apparatus is "spoiled" and should be cleaned up. One does not have to apply criminal measures alone.

Take the "Grain" program, for instance. The government earmarked tremendous sums of money for its implementation, but most of it was then spent to buy liquor and other products of secondary importance. Not enough grain was shipped to the Republic, which led to huge financial losses caused by the reduction of livestock. It is now hard to investigate whether officials have profited from this deal and bring them up on corruption charges. Given that they have inflicted losses on the state, however, they must be punished. In my opinion, those guilty of such blunders must be immediately dismissed, regardless of their involvement in bribery.

[Abramovich] A lot of officials would have to be dismissed then, for there have been a lot of similarly ruined programs. What sense does it make to fire someone if compensation is not made for financial losses already incurred?

[Sazonaw] Our program of urgent measures comprises four major provisions.

First: We must increase the responsibility of officials for the effects of their activities. This point includes control

over officials representing the highest echelons of power. Such control is virtually absent at this point and this gives rise to the tidal wave of lawlessness.

Second: We are going to strictly control the implementation of government programs. This can be done by the employees of the Interior Ministry Department for Fighting Economic Crime, as well as the KGB. We must prevent violations and not walk in the footsteps of events. You are right—if a loss has been inflicted, it cannot be compensated by firing someone.

We have a feeble legal base. The laws passed by the Supreme Soviet are imperfect and leave a lot of loopholes for corrupt officials. Thus, it would be expedient to set up a group of experts responsible for providing an anticorruption analysis of the adopted legal acts.

Fourth: We must follow the recommendations issued by the United Nations and Interpol, and change the modus operandi of the state apparatus. Instead of issuing permission, officials should be responsible solely for registration. Officials currently make personal decisions, for example, on whether or not to open an enterprise. After the suggested change is introduced, an official will have to register an enterprise once someone has collected all the necessary documents. This will help reduce the number of cases of extortion on the part of state officials.

[Abramovich] Thus, you are seriously planning to beat corruption. Is that possible?

[Sazonaw] Corruption is, indeed, deep-rooted and we do not have sufficient resources. Due to the measures that I have just cited, however, we will be able to initiate a civilized modus operandi of the state apparatus and eliminate many causes for this phenomenon.

The program of urgent measures for fighting corruption will become part of our long-term program for fighting crime. There have been many such programs in recent years, but believe me, for I am an Interior Ministry professional, almost all of them were declarative. Today, we are not going to propose anything supernatural; we are proposing doable things.

Lukashenka To Seek Approval for 'Antipopular' Steps

WS1907072894 Minsk ZVYAZDA in Belarusian 16 Jul 94 pp 1, 2

[Report on interview with President-elect Alyaksandr Lukashenka by Valyantsin Zhdanko at the BTK Belarusian Television studio in Minsk on 14 July: "The President Intends To Ask People To Be Patient for Six to Eight Months"]

[Text] The report to be delivered by President-elect Alyaksandr Lukashenka on 20 July will probably put forward several ideas for lifting Belarus out of its current crisis. The president intends to ask people which path he should follow.

In a short interview with Belarusian television, Alyaksandr Lukashenka told reporters about his meeting with officials who will most likely retain their posts in the new government.

Assessing the results of that meeting, he said:

"We did not intend to draft urgent or long-term measures. We are going to draft a report, for the president has to deliver such report after taking the oath of office. We want the report to reveal everything that is going on in the Republic—you have no idea as to the scope of the crisis (even I did not realize its extent).

"At the meeting we did not speak about concrete matters, yet we are currently discussing several directions for overcoming the crisis. Which direction will be selected? I cannot say for sure, because I may have to apply antipopular methods that, to some extent, contradict with my electoral program. Thus, I want to request the people's approval and ask them to consider several options. We will determine a mechanism for receiving people's responses (this can be done by means of the press, for instance), regarding the most suitable option. I will then act in accordance with their decision. At the beginning, however, we will honestly explain what has happened.

"If our electors say 'no' to Lukashenka, Lukashenka will look for other ways, however, more dramatic ones and in that case changes will take longer. I hope the people will believe me, for I am not to blame for the current situation. I have no intention to deceive them and I am not going to scare them with antipopular measures. We will do our best to protect the people.

"The Russian president has invited me to visit Moscow on 1 August, and he has promised various kinds of assistance for the Republic of Belarus. I am happy with this. That is why I know that we will protect people, especially socially insecure groups. We will also demonstrate and explain how to act. I do not think that a concrete deadline will scare people. I would like to suggest a period of six to eight months and apply for a credit of my electorate's confidence."

The president's intentions to apply for a credit of people's confidence, in particular for a concrete term of six to eight months, does not seem very logical. This confidence in Lukashenkz has just been manifested in the elections in a very persuasive manner. Besides, from his very first days in office, Alyaksandr Lukashenka might have to resort to steps which, mildly speaking, do not quite correspond to his preelection declarations. That is why the president wants some "safety net" in the form of the people's permission to act freely.

Still, the form of receiving people's response looks quite problematic. A referendum would be too expensive, especially coming just weeks after the elections. Besides, there is no time for holding one. Should this be a sociological poll? Our sociology, however, can prove anything a consumer wants to hear. Should people's

letters to newspapers be analyzed? This is too biased and unconvincing. What response can one expect to hear from a majority of our exhausted compatriots? They do not want to be involved in the discussion of the details of economic drafts. They will vote for what looks clear to them—how to prevent an increase in prices, guarantee higher wages, and provide social guarantees.

The wisdom of a politician lies in the realization of the fact that the economy cannot be healed without sacrifices, and reform cannot be accompanied by the protection of all the former social accomplishments. This disease cannot be healed without a surgical operation and thus, without pain. The Kebich government has proven the futility of this method.

Lukashenka 'Promising Team' Members Profiled

MM1807140794 Moscow TRUD in Russian 16 Jul 94 p 3

[Unattributed report under the general heading "News from Neighboring Countries"]

[Text]

Minsk

Lukashenka's "team" is the name given to a group of politicians who today joined the new Belorussian [Belarusian] president's immediate entourage. They are: 35-year-old Dmitriy Bulakhow, a member of the Republic's Supreme Soviet Presidium, chairman of the parliamentary commission for legislation, a professional lawyer, and an investigator. Viktar Hanchar is 37, a candidate of legal sciences, and was elected to the Supreme Soviet when he was a teacher in the department of jurisprudence at the Belorussian Institute of the National Economy; from the very beginning of his work in parliament he became known as the "Belorussian Sobchak." Alyaksandr Feduto is 30 years old, a scholar with extensive knowledge of philology and philosophy, the author of books and articles on the creative work of Aleksandr Pushkin, was once first secretary of the Belorussian Youth Union Central Committee, and announced his resignation on the eve of the last congress. The youngest member of the "team" is 28-year-old Valeriy Tsapkala. He is a lawyer, a political scientist, and a graduate of the Moscow State Institute of International Relations, has a perfect command of English and Finnish, and is the author of a number of articles on nationalism and national nihilism in his country and elsewhere in Europe. He has extensive international links and is on familiar terms with many influential Western politicians and financiers. For six months (in 1990-91) he worked at the USSR Embassy in Finland and then for the Republic of Belarus Foreign Ministry. There is also Petr Kapitulya, a doctor of economic sciences and professor of the Republic of Belarus Academy of Sciences Economic Institute. He prepared Lukashenka's economic program which combines market elements with administrative elements. Then there is Leanid Sinitsyn, an economic manager, a Belorussian people's deputy, and formerly chief of a large construction administration. The present power structures are represented by Valeriy Tikhinya, a professor of law, deputy chairman of the Constitutional Court, and former ideology secretary of the Belorussian Communist Party Central Committee. There are some who have already established a reputation as "dissidents": Mikhail Sazonaw, who was sacked from the post of deputy chief of the Belorussian Interior Ministry's Directorate for Combating Economic Crime for refusing to resign from Lukashenka's commission, and Yuriy Mamulaw, also sacked from the post of deputy chief of a department of the Directorate for Combating Economic Crime for the same reason. This is what Lukashenka says about them: "I have a very young and highly promising team of professionals and intellectuals. They are honest people and I can count on them."

Krachenko Hails Belarus' Election to CEI

LD1807163794 Moscow ITAR-TASS in English 1451 GMT 18 Jul 94

[Report by ITAR-TASS correspondent Aleksandr Lyushkevich for TASS]

[Text] Minsk 18 July TASS—Byelorussian Foreign Minister Petr Kravchenko said at a news conference devoted to the results of his visit to Italy that one of the most significant events for Byelorussia [Belarus] was its election an associate member of the Central European Initiative (CEI).

Kravchenko described the event as a major victory of the Byelorussian Foreign Ministry, which took about four years to achieve. Having received this status, the republic was given an opportunity not only to participate in the activities of this authoritative international organisation and sessions of national coordinators, foreign ministers and prime ministers as an observer, but make their own proposals on problems discussed and influence the process of decisionmaking.

In the meantime, Byelorussia will take part only in three CEI working groups, dealing with transport, energy and ecology. According to Kravchenko, in the near future a national coordinator from Byelorussia will join the CEI at the level of a deputy minister. The first concrete project expected to be suggested by Byelorussia will deal with transportation and in particular, with the Warsaw-Brest-Minsk-Smolensk-Moscow highway.

The Byelorussian minister said that this is an important step in the matter of integration of the Byelorussian economy into the European one and, perhaps, a breakthrough to the West. Nevertheless, he pointed out that it will take Byelorussia 10-15 years to be admitted into Europe as an equal partner. "First, we shall have to earn the cost of our ticket to the pan-European tram," Kravchenko said. "The Republic must do everything possible for this end, to preserve its former markets, and the Russian market, in particular. Only together with

Russia and Ukraine and after transforming the Byelorussian economy in the direction of a free market we can apply for European membership," Kravchenko said.

Grodno Border Guard Chief Analyzes Situation, Prospects

WS1807101194 Minsk Radio Minsk Network in Belarusian 0700 GMT 18 Jul 94

[Statement by Ivan Dmitriyevich Shapovets, commander of the Grodno border detachment; place and date not given—recorded]

[Text] The results of our work over the first six months of 1994 have been summed up at the collegium of the Chief Department of the Belarusian Border Troops. The activities of the Grodno border detachment performing its service-and-combat duty were positively assessed. We have detained some 400 border violators. Personnel at the checkpoints are supervising the border control and supply groups have properly performed their tasks. The key result is that we have prevented unpunished violations of the border on both the Belarusian-Polish and Belarusian-Lithuanian frontiers. I can say that the Grodno detachment is currently performing its tasks alongside other bodies. We, along with the leadership of Grodno Oblast and Rayon, are establishing checkpoints along the Lithuanian border. In fact, we have received an entire additional commandant's border office with appropriate staffing.

We no longer have the many-km-long lines at Bruzgi and Berestovitsy. On the Polish side, the upgrading of facilities and roads at the Kuznitsy checkpoint is under way, therefore, cargo traffic is passing through Berestovitsy-Bobrovniki. Border guards and customs officers are efficiently carrying out their tasks by acting in close cooperation. Both Polish and Belarusian border guards are going to celebrate the anniversary of the establishing of our border detachment—3 October day. It seems to me that I can speak for both our commanders and executive personnel we I say that in the future we will reliably protect the state borders, raise our level of combat readiness, and prevent any attempts at illegal border crossings and actions detrimental to the economy. To my regret, these are common occurrences at our border crossings, in particular, along our border with the Baltic states.

Moldova

Agreement Expected on Russian Troop Withdrawal

LD1807162694 Moscow INTERFAX in English 1526 GMT 18 Jul 94

[From the "Diplomatic Panorama" feature: reports by diplomatic correspondents Igor Porshnev, Vitaliy Trubetskoy, and others]

[Text] According to sources close to the leadership of Moldova, Kishinev [Chisinau] is ready to offer a period of two years for the withdrawal of the 14th Russian Army.

The proposal is expected to be made during the 10th round of bilateral talks scheduled for the first half of August. Earlier Kishinev gave 18 months for the withdrawal, while Moscow demanded three years.

The Moldovan Deputy Foreign Minister Nicolae Osmocescu neither denied, nor confirmed the information in an interview with INTERFAX. He said, however, that the coming round of talks should finalize documents on the procedure and timeframe of the withdrawal and the status of the army during the pullout.

The official said that lately the two sides have come somewhat closer to each other on the time of withdrawal.

He also announced intentions to suggest at the session of the Council of CIS Foreign Ministers due in Moscow on Tuesday [19 July] renouncing the discussion of the declaration of equality of peoples and their right to self-determination.

The diplomat accounted his approach to the fact that the principle is one of the fundamental ones in international law. As the CIS charter and independence declarations of all member-countries express loyalty to these principles, there is no need to spell out each of them separately, he said.

Osmocescu expressed his concern about the procedure of CIS representation in international organizations. At the Moscow meeting he wants to propose proportional representation of all CIS members with compulsory rotation.

Kazakhstan

Nazarbayev Continues Reshuffling Committee Chairmen

LD1807161494 Almaty Kazakh Radio Network in Kazakh 1400 GMT 18 Jul 94

[Text] By edict of Kazakh President Nazarbayev, Nariman Iksakbayev is relieved as chairman of the state water resources committee, and Orynbasar Mulkibayev is relieved as chairman of the state committee of control over safety in industry and mining in connection of restructuring of the committees.

Suspended Minister Suspects 'Persecution Campaign'

LD1807153394 Moscow INTERFAX in English 1314 GMT 18 Jul 94

[Text] Kazakhstan's suspended economics minister Mars Urkumbayev believes that criminal action taken against him was the beginning of a persecution campaign against several senior statesmen.

"The public prosecutor's memorandum which I've seen mentions the names of First Deputy Premier Akezhan Kazhegeldin, Deputy Premier Asygat Zhabagin, and Syzdyk Abishev, who some time ago was minister of foreign economic relations and nowadays is head of the Cabinet office," Urkumbayev told INTERFAX.

He said he was ready to refute all charges to be brought against him and was not going to resign. He also said the court action against him was illegal since he had been a member of the parliament which dissolved itself late last year, whereas, under a decree by President Nursultan Nazarbayev, a deputy who voluntarily resigns can retain his immunity for two more years.

The decision to suspend Urkumbayev was taken by Nazarbayev and approved by the Republic's Security Council on 15 July.

Security Council member and presidential adviser Kairbek Suleimenov told reporters that the reason for Urkumbayev's suspension had been Prosecutor General Zharmakhan Tuyakbayev's report that Urkumbayev had been suspected of office abuse when he was governor of Chimkent Region.

Parliamentary Chairman Abish Kekelbayev said on Monday that the legislators were ready to consider stripping Urkumbayev of his immunity if asked to do so by the prosecutor general.

Foreign Minister Departs for Moscow CIS Meeting

LD1807163594 Almaty Kazakh Radio Network in Kazakh 1400 GMT 18 Jul 94

[Text] Foreign minister Kanat Saudabayev left for Moscow today to participate in a session of the council of CIS foreign ministers. Problems of CIS integration development, a draft convention on ethnic minorities rights, a declaration on equal rights and the right of peoples to be masters of their own plight, the procedure of representation within CIS international organizations and fora, as well as a number of other issues will be examined and discussed at the session.

Efforts To Be Made To Develop Oil, Gas Industry

LD1807121194 Almaty Kazakh Radio Network in Kazakh 0400 GMT 18 Jul 94

[Text] As is known, currently our government has worked out a medium-term program of measures to boost reform and to lift the country out of the crisis. To this effect, the Kazakh Institute of Strategic Research, under the president of Kazakhstan, is working out a concept of industrial policy which envisages the improvement and further development of the oil and gas complex.

The main ideas of the concept are as follows, [passage indistinct] The oil and gas complex is viewed as one of the key industries, which must be developed in order to enable the Republic, in the near future, to ensure sufficient hard currency income for the republican budget. Unsatisfactory development of the processing industries, especially oil refining, however, coupled with the problem of transport infrastructure formation, are hindering any further development of the complex. In order to overcome the dependence of Kazakhstan on oil products and, as result, their chronic shortage on the market, further construction of the oil pipeline from west Kazakhstan to [place name indistinct], as well as the reconstruction and expansion of the Atyrau, Shymkent, and Pavlodar oil refineries, are necessary. Newly constructed and modernized pipelines will allow Kazakhstan to bring its oil to the world market, especially in view of the Persian Gulf oil pipelines, the Black Sea and Novorossiysk route. Reconstruction of the Baykonur-Kumkol-Shymkent pipeline will allow the creation of a unified system with the main Omsk-Pavlodar-Shymkent and West Kazakhstan-Shymkent-Pavlodar pipelines. It means that the Pavlodar and Shymkent oil refineries will work to their full capacity and the work of production and transport will be stabilized.

In the 20th century Russia was a donor for the Kazakh economy which, in its turn, was formed as the former's raw material annex. An artificial system of deadend markets and a deliberate policy of division of labor within the framework of the former USSR resulted in the fact that Kazakhstan mainly had a single industry and a monopolized structure of production, with a dramatically manifested raw material specialization. [passage indistinct]

The change of prices affected oil trade relations between Kazakhstan and Russia. For instance, the situation that shaped itself in 1993—in oil trade between our republics—when at the expense of som discrimination, oil was imported from Russia by Kazakhstan at prices that were

way above [words indistinct] 66 percent [words indistinct]. In this case, Russia received net profits worth $150 million.

In order to regulate the long-term debt settlements, Kazakhstan first of all should build a reserve of hard currency, export oil, and reduce its foreign debts. [Passage indistinct] positive balance of payments by way of reforming oil prices and further modernizing the industry. Kazakhstan is holding talks with foreign partners on development of the oil industry so that the share of oil in our exports as whole could increase from 15 percent today up to 40 percent.

Commercial TV Channel Rivals State Television

LD1807191194 Almaty GORIZONT in Russian 2-8 Jul 94 p 7

[Excerpt] The commercial KTK television channel has become one of the first real rivals of state television. Its first program was shown almost four years ago. What does KTK show apart from commercials? Its news packages are quite attractive: "TNN" [TV unofficial news], the morning program "Zdrastvuyte" [Hello], the evening program "Tomorrow," and "Local Time," the news program of the CIS independent television stations.

The idea is for ours to be a family channel, says Izya Eynokhovich Fidel, president of the KTK joint-stock company. Not everything is turning out the way in which we wanted. After all, TV is a costly pleasure. It is necessary to obtain new equipment and to equip studios, without which it is not possible to make your own TV programs, to extend the scope of your broadcasts, and to enhance their quality. It is only the technical potential that is impeding work on a series callled "A Day With a Celebrity." There is no doubt that this program will be shown in the CIS countries and, possibly, further abroad.

Independent TV stations of the former USSR have set up the "Local Time" joint undertaking. It works together with the Internews company, which is supported by the Soros and Carnegie funds. Beginning in July, it intends to start the regular production of programs dealing with economic problems and cooperation among the CIS countries.

Along with 13 independent TV studios from Kazakhstan's regions we have set up the Sary-Arka joint undertaking. Journalists, camera people, and program directors from regional studios are being trained through an international amalgamation in foreign countries. Foreign journalists are already working at the independent studios of Kostanay, Karaganda, and Semipalatinsk with a view to sharing their experience. All this is the preparation for creating the "Sary-Arka" TV program. It will speak out about ordinary events in the life of our sovereign state. Starting in July this program will be shown on a weekly basis and on a daily basis at a later stage.

We are now establishing contacts with foreign partners. We have reached an accord with REUTER on the exchange of economic information. We are planning to make a film on Kazakh applied arts on order from a French TV company. Recently we have signed an agreement with CNN. CNN world news is now shown on a daily basis by the KTK at 2300 in Russian and at 0730 in English. [passage omitted]

Kyrgyzstan

Akayev Tours Issyk-Kul; Welcomes Kazakh President

LD1907103694 Bishkek Kyrgyz Radio First Program Network in Kyrgyz 2300 GMT 18 Jul 94

[Text] President Akayev visited Naryn Oblast accompanied by State Secretary Rustenbekov, deputy head of the joint stock company [word indistinct]; and Mukhambetov, deputy minister of trade and industry. In Dongan-skiy rayon the president familiarized himself with the Karatekinskiy coal mine, where work is in progress. In a conversation with the journalists who are part of his entourage, President Akayev stressed that the coal mine was of paramount importance for the north of the Republic. It has significant reserves of coal [words indistinct]. This year, construction of a railway to the area will begin. [sentence indistinct] The president said that coal would remain for us the number one energy source. [Words indistinct] the president said that the railway would form a reliable connection between northern and southern Kyrgyztsan. Akayev's helicopter flew over the western shores of the Issyk-Kul lake where a power generating subunit and high voltage power transmission line along the Naryn River are under construction. [passage indistinct] Finally, the helicopter landed in [word indistinct] and here Akayev met Kazakh President Nazarbayev, who had arrived from Almaty at Akayev's invitation to have a short rest. [Words indistinct] and other oblast leaders welcomed the presidents.

Akayev Asks Yeltsin To Restore Ostankino Broadcasts

LD1907081894 Moscow ITAR-TASS in English 0733 GMT 19 Jul 94

[Report by ITAR-TASS correspondent Boris Maynayev]

[Text] Bishkek 19 July TASS— Kirghiz [Kyrgyz] President Askar Akayev sent a letter to Russian President Boris Yeltsin asking him to urge the Russian Government to find opportunities for meeting the expenses connected with beaming of Ostankino TV programmes to the Kirghizian territory. This address is connected with the fact that financial difficulties compelled the Russian state television and radio broadcasting company Ostankino to reduce as of 18 July broadcasts to Kirghizia from 19 to six hours daily.

The national television broadcasting in the Kirghizian language is now on the air for not more than four hours a day. There is also a channel with broadcasts in Turkish and a commercial channel. Ostankino programmes are very popular in Kirghizia [Kyrgyzstan] particularly since there are over 2 million Russian-speaking people in Kirghizia.

Tajikistan

State of Emergency Renewed in Number of Areas

LD1807165294 Moscow ITAR-TASS World Service in Russian 1611 GMT 18 Jul 94

[Report by ITAR-TASS correspondent Galina Gridneva]

[Text] Dushanbe, 18 Jul—The state of emergency has been renewed for another month in Khatlon Oblast, a number of rayons of the Gorno-Badakhshan autonomous region, and Dushanbe in Tajikistan today. It was first introduced at the beginning of 1993. The decree of the Tajik Supreme Council Presidium broadcast on republican television stresses that these measures have been adopted in connection with the need to stabilize the sociopolitical situation in the Republic.

This is also the reason why the special regime [osobyy rezhim] has been declared in the Pamir region of the Republic, that is Tavildarinskiy, Dzhirgatalskiy, Garmskiy, Tajikabadskiy, and Fayzabadskiy Rayons, as well as in the town of Rogun, on the outskirts of which a major hydroelectric power station in Central Asia is being constructed.

According to the state of emergency rule, rallies are banned and the activities of public and political unions have been restricted. The heads of the CIS states and the United Nations have been informed of the decree of the Tajik Supreme Council Presidium.

At the same time, local observers link the decree of the republican Supreme Council with the rise in the level of activity of the opposition forces in the Pamir areas of the republic, as well as with the tribal and internal feuds among former members of the National Front who have brought the current government of the Republic to power.

New Education Minister Appointed

LD1807122194 Dushanbe Radio Tajikistan Network in Tajik 0800 GMT 18 Jul 94

[Text] A decree of the presidium of the Supreme Council of Tajikistan appointing Munira Abdulloyevna Inoyatova as minister of education of Tajikistan:

Taking into account a proposal of the chairman of the Council of Ministers and in accordance with Article 108 of the Constitution of Tajikistan, the presidium of the Supreme Council of Tajikistan decrees:

1. To appoint Munira Abdulloyevna Inoyatova as minister of education of Tajikistan.

2. To submit this decree for approval to a session of the Supreme Council of Tajikistan.

[signed] Imamali Rahmonov, chairman of the Supreme Council of Tajikistanm, Dushanbe, 12 July.

Regular Parliamentary Session Opens

LD1907083594 Moscow ITAR-TASS in English 0742 GMT 19 Jul 94

[Report by ITAR-TASS correspondent Galina Gridneva]

[Text] Dushanbe, 19 July (TASS)—A regular session of Tajikistan's parliament opens in Dushanbe on Wednesday [20 July]. It is to discuss the future constitutional structure of the republic, the draft extraordinary national budget for 1994, as well as a number of other questions connected with the socioeconomic and political situation in Tajikistan.

Independent sources believe there may be particilarly heated debates in parliament over the draft new constitution of the Republic. It has already caused controversy among the population and public and political groups during a public referendum over two months. Tajikistan's communist party strongly objected to the draft fundamental law proposed by the constitutional commission, envisaging presidential rule. The communist party stated its special view on the matter.

The Gorno-Badakhshan Autonomous Region presented its alternative project of Tajikistan's federal structure. The draft proclaims the Gorno-Badakhshan Autonomous Region as an equal subject of the federation and suggests elevating its status to that of an autonomous republic. Representatives of ethnic communities reflecting interests of more than 1.5 million people said Tajikistan's draft new fundamental law contains discrimination of their rights.

Turkmenistan

President Niyazov Meets Visiting Iranian Oil Minister

LD1807174394 Moscow ITAR-TASS in English 1722 GMT 18 Jul 94

[Report by ITAR-TASS correspondent Anna Kurbanova]

[Text] Ashkhabad 18 July TASS—Turkmen President Saparmurat Niyazov has met with visiting Iranian Minister of Oil and Gas Gholam Reza Aqazadeh to discuss implementation of agreement on constructing a gas pipeline, which will run from Turkmenistan to Iran to Turkey to Europe.

The agreement was signed last April.

According to the Iranian minister, the construction of the gas pipeline will begin during the forthcoming Tehran session of interstate council of an international consortium created for introducing Turkmen energy resources on the world market.

The council brings together ministers of gas and oil industries from four countries—Russia, Turkey, Turkmenistan, and Iran.

In mid-August, they are to discuss concrete measures aimed at implementing the first project of the consortium.

Uzbekistan

Deputy Premier Meets German Delegation

LD1807153494 Tashkent Radio Mashal in Uzbek 1230 GMT 18 Jul 94

[Text] Today members of the official delegation from the Federal Ministry for Economic Cooperation and Development led by [word indistinct], state minister in the parliament of the German Federation, met Otkur Sultanov, deputy prime minister of the Republic of Uzbekistan and minister for foreign economic relations. During the meeting, questions on the further expansion of cooperation between Germany and Uzbekistan were examined. The works being carried out by dozens of companies such as Mercedes-Benz, Seimans, and Singer were particularly noted. The implementation of the projects in the fields of medicine, agriculture, light industry, and telecommunications was examined. It was decided to set-up a working commission consisting of specialists from the two countries. Documents were signed on financial cooperation in expanding mutual cooperation and assisting with the purchase of products. After this [word indistinct] answered questions put by the journalists. The guest noted the importance of these documents in the development of mutual cooperation. Karl Heintz Kuhna, ambassador of the Federal Republic of Germany to Uzbekistan, participated in the meeting and the signing ceremony of the documents.

IMF Recommendations on Monetary Policies

LD1807154194 Moscow INTERFAX in English 1314 GMT 18 Jul 94

[Text] The International Monetary Fund (IMF) recommends that the Uzbek Government and the republic's Central Bank toughen the monetary and credit policies to stabilize the national currency, the sum, which was put in circulation on 1 July, the Financial Information Agency was told on Monday [18 July] by the IMF spokesman in Uzbekistan, Istvan Szalkai.

He believes that the measure will help the Uzbek Government to establish a reasonable rate for the national currency and to prevent an excess of cash money circulating in the economy. The official rate of the sum, established by the Central Bank following results of weekly auctions at the Uzbek Republic's currency exchange, has fallen since early July from 7/$1 down to 11/$1, while on the "black market" the sum traded at 35/$1.

The spokesman said that to reduce the inflation rate, now at 20 percent a month, the Uzbek Government must stop financing insolvent enterprises and free prices. The spokesman also talked about the need to increase interest rates on people's savings in commercial banks to prevent their devaluation.

Szalkai also said that the IMF board had considered the request made by Uzbekistan's Cabinet of Ministers for a special credit to support the national currency. The IMF, he said, had decided to link this credit to compliance with the recommendations in the sphere of monetary and credit policies. If the Uzbek government ignores the IMF recommendations, the credit will not be offered.

Meanwhile, to prevent a growth in the amount of cash in circulation the Uzbek government on 12 July sharply limited operations with cash, apart from wages, pensions and stipends. The population's bank accounts have been frozen. In addition, payments between enterprises and organizations are only allowed to be made by bank transfer.

Armenia

'Active Combat Operations' in Karabakh Reported

NC1807155394 Yerevan Radio Yerevan in Azeri 1330 GMT 18 Jul 94

[Text] The Armenian Ministry of Defense Information Center has disclosed that the relatively peaceful situation in the confrontation areas between the Armenian and Azerbaijani forces was not disrupted the night before last. No serious incident occurred. However, active combat operations took place in the Nagorno-Karabakh Republic [NKR]. Azerbaijan's military units fired on the Armenian defense positions in various parts of NKR's front line. The NKR defense units continued to heed their military command's order to refrain from returning the fire.

That state of affairs has confirmed that the existing problems must be resolved through talks, not through fighting. However, Azerbaijan's leaders do not wish to see reality and refrain from signing the cease-fire agreement. Furthermore, they put forward demands that are unacceptable to Armenia and the NKR and obstruct the realization of Russia's and the CSCE's peace programs.

In addition to all that, calls have been made in Azerbaijan for the prolongation of the war. According to reliable sources, preparations are under way in that republic for a broad offensive. However, it must be stressed that Azerbaijan's leading circles are very much aware that the problems will not be resolved through the use of arms. [passage indistinct]

The prolongation of the war will create a tragic situation for the two peoples, particularly for the people of Azerbaijan. Why should the war be prolonged when a good opportunity exists to resolve the existing problems through talks. Is it not better to hold talks for several years rather than fight for 24 hours?

National Democrat Leader Critical of Authorities

NC1807200694 Yerevan SNARK in English 1706 GMT 18 Jul 94

[Text] Yerevan, JULY 18 (SNARK)—The leader of Armenian national democrats, Davit Vardanyan, announced to journalists today that all responsibility for provocations against the opposition will be borne by the present authorities of Armenia.

Last Friday, a group of persons tried to provoke riots during the anti-government rally in Yerevan.

A member of Armenian Parliament, Vardanyan emphasized that the new movement initiated by the national democrats has the only purpose of creating an atmosphere in the republic which would strengthen the democracy and eliminate violations during the parliamentary elections next spring.

Opposition party leader confirmed the intention to continue rallies in Yerevan.

Russian Citizens Held in Azerbaijan Camps

944K1780A Yerevan RESPUBLIKA ARMENIYA in Russian 15 Jul 94 p 1

[Unattributed report: "Nationality Was To Blame: For People Ending Up in Azerbaijani Concentration Camps"]

[Text] Up to 600 persons of Armenian nationality, more than half of whom are citizens of Russia captured far outside of the confrontation zone, are at this time being held in concentration camps of Azerbaijan, in Gobustan in particular—this was reported by Ashot Sarkisyan, member of the Nagorno-Karabakh Republic Supreme Council Human Rights Commission. According to him, the commission has the incontrovertible evidence of former captives confirming instances of the humiliation and torture against people that have nothing to do with the Karabakh conflict for the purpose of obtaining from them confessions of having carried out acts of sabotage. As Ashot Sarkisyan said, the prisoners are regularly subjected to beatings and outrages. Merely special groups that serve to create a false impression of the conditions of the detention of Armenian captives among representatives of international civil rights advocates and humanitarian organizations constitute an exception.

Tehran's Armenian Bishop Protests Killings

944K1780B Yerevan RESPUBLIKA ARMENIYA in Russian 15 Jul 94 p 1

[Unattributed report: "Who Is To Blame?"]

[Text] According to a report of Voice of Iran radio of 11 July, following the assassination of two Christian priests by terrorists going by the name of "people's mujahidin," Manukyan, chairman of the Patriarchal Council of Armenians in Tehran, in an interview with IRNA condemned this terrorist act and demanded that the criminals be punished. He emphasized that Tehran's Armenian community expects international civil rights organizations to condemn those principally to blame for this crime. Bishop Manukyan emphasized that Armenians live in Iran according to the constitution and freely adopt decisions in all spheres. The assassination of Mikayelyan and the other priest is being used by foreign information services for unwarranted assertions that human rights are being violated in Iran, particularly the rights of religious minorities, whose rights have in reality in Iran always been observed. Iran is far more religiously tolerant in this respect than many Western countries. Armenians in 60 million-strong Iran, for example, number 200,000, and Armenians have five deputies in the Islamic Council Assembly, and in some Western states with a population of more than 50 million, where 5 million Muslims live, these Muslims do not have a single deputy in the country's legislative body. The

killing of the two Orthodox priests in Iran is just another link in the chain of conspiracies against the system of the Islamic Republic of Iran.

Azerbaijan

Agreement With Russia Postponed Over Debt Dispute

NC1807205394 Baku TURAN in English 1710 GMT 18 Jul 94

[Text] Baku (July 18) TURAN—The top level negotiations held in Moscow, on signing bigovernmental economic agreement between Azerbaijan and Russia were resultless, Turan was told by Azerbaijan's Ministry of Economy.

The governmental delegation, headed by first vice-premier Fuat Guliyev did not agree with Russia's demand to register the debt of Azeri enterprises to Russian enterprises (totalling 46 billion rubles) as a state debt. Russia, in turn, refused to register the debt of Russian enterprises to Azeri enterprises (totalling 25 billion rubles) as a state debt. Russia at the same time argues the fact of Russia's debt to Azerbaijan.

Earlier an high-ranked employee of the Cabinet told Turan "Azerbaijan will have accept Russia's terms, since there is not another way out".

Both sides agreed on revising the issue, but concrete terms of next meeting have not been determined yet. Azeri delegation returned to Baku yesterday.

According to specialists of the Ministry of Economy, non-signing the bigovernmental agreement can negatively influence the economic situation of Azerbaijan, as approximately 70 percent of its requirements in raw material, equipment and other products Azerbaijan covers due to import from Russia. On the other side 70 percent of its products Azeri state enterprises sell on Russian market.

Nagorno-Karabakh Military Against Turkish Peacekeepers

944K1777C Yerevan RESPUBLIKA ARMENIYA in Russian 12 Jul 94 p 1

[Unattributed report: "The Nagorno-Karabakh Republic Would Never Allow It"]

[Text] To the question of a FAKT correspondent as to how the military leadership of the Nagorno-Karabakh Republic viewed D. Gures' statement, Serzh Arutyunyan, deputy chief of the Nagorno- Karabakh Republic Defense Army Staff Political Department, replied that the military leadership of the Nagorno-Karabakh Republic would never allow such a thing inasmuch as Turkey is not a neutral party in the Karabakh-Azerbaijani conflict. Turkey is actively involved in it, what is more. Turkish POW's, the blockade of Armenia, and instances of the supply of arms to Azerbaijan, which have been established repeatedly, are evidence of this.

Aliyev Seeks Support of Islamic States

944K1777B Yerevan RESPUBLIKA ARMENIYA in Russian 14 Jul 94 p 1

[SNARK report: "Aliyev Calls for Co-Religionists To Help Him"]

[Text] Geydar Aliyev, president of Azerbaijan, who is in Saudi Arabia at this time, is acting the part of suppliant. Together with an aspiration to establish mutually profitable bilateral economic relations, the Azerbaijani leader is leaning over backward to win the support of the Muslim world on the Karabakh issue.

Azerbaijan was the first of the Muslim republics of the former USSR to become a member of the Islamic Conference Organization (ICO), and this is why it is in need of particular attention on the part of this organization. While agreeing in the course of the conversations that were held with the importance of the problems of Afghanistan, with which the ICO is preoccupied at this time, Aliyev reminded his co-religionists that as a result of Armenia's continuing aggression against his country only Muslims are dying in Azerbaijan.

This is why, Aliyev observed, Baku has a right to expect from the ICO primarily moral and material support. Second, the ICO, being, according to Aliyev, just as authoritative an organization as the CSCE and the United Nations, should make use of all its possibilities and exert efforts for an end to the war in Karabakh.

U.S. Envoy Comments on CSCE Peace Process

944K1777A Yerevan RESPUBLIKA ARMENIYA in Russian 14 Jul 94 p 1

[FAKT report: "'Turkey Is a Country Close to Armenia...'"]

[Text] "The plan proposed by the CSCE for a settlement of the conflict in the Nagorno-Karabakh Republic provides for international initiatives and multilateral mediation. Russia, however, prefers unilateral cooperation and wants one state to participate in a settlement of the conflict," Richard Kozlaric, ambassador of the United States in Azerbaijan, declared in an interview with the newspaper AZADLYG. According to him, since the start of the war through the present the United States has believed that a real result is possible only with an international approach and multilateral initiatives. Russia, Kozlaric said, recognizes the inefficiency and futility of the unilateral initiative and understands that the conflict may be settled only within the framework of the CSCE.

The ambassador went on to observe in the interview that the government and people of Azerbaijan want the conflict to be settled within the framework of the CSCE

with the mediation of the Minsk Group. In his opinion, a positive shift in the position of the Armenian Government in the direction of the initiatives of the CSCE has been observed as of late. "We must avail ourselves of the advantages and the possibilities that have taken shape because time does not wait," he emphasized.

Concerning the participation of a disengagement force of Turkey in the peacekeeping operations in the conflict zone, the ambassador reported that the United States had declared very seriously and decisively the need for the enlistment of Turkey in the peacekeeping actions and negotiations conducted within the framework of the CSCE inasmuch as "Turkey is a country close both to Armenia and to Azerbaijan and is concerned at the situation that has taken shape in the Caucasus." Kozlaric observed that the situation in the region influences Turkey's security and that this also was a reason why Turkey should play an active part in a settlement of the Armenian-Azerbaijani conflict.

Commenting on the position of the United States, Richard Kozlaric declared that "the best way to resolve the problem of Nagornyy Karabakh is the mediation of the CSCE." This, according to him, is recognized by the United Nations also. From the very outset the United States has wanted no other parallel process to impede the work of the CSCE. The efforts being made by the CSCE permit Armenia and Azerbaijan to feel secure, R. Kozlaric said in conclusion.

Georgia

CIS Peacekeeping Group Sent Into Kodor Gorge

LD1807131894 Moscow ITAR-TASS in English 1102 GMT 18 Jul 94

[By ITAR-TASS correspondent Irina Shchetoleva]

[Text] Sochi July 18 (TASS)—The Commonwealth of Independent States' peacekeeping forces in Abkhazia sent a reconnaissance group into the Kodor Gorge on patrol on Monday.

Speaking with ITAR-TASS, commander of the peacekeeping troops in Abkhazia Major-General Vasiliy Yakushev denied Georgian reports that Georgia had been forced to halt the withdrawal of its troops from the Kodor Gorge since additional Abkhazian units were marching in. General Yakushev said the withdrawal of Georgian forces was proceeding according to schedule.

The general noted that a meeting with Georgian military representatives is scheduled for Wednesday, July 20 to hear a report from Georgian Deputy Defence Minister Nikolashvili.

General Yakushev also denied reports that Russian mine-clearers had stopped searching for mines in the village of Saberio in the Gali District. "We do not clear villages of mines, we clear only the areas around bridges and the transportation routes leading to them", the general announced.

Shevardnadze Says Adzharia Causes No Concern

LD1907102794 Moscow ITAR-TASS in English 1006 GMT 19 Jul 94

[By ITAR-TASS correspondent]

[Text] Moscow July 19 TASS—Armed supporters of former Georgian President Zviad Gamsakhurdia have penetrated Adzharia from western regions of the country but the situation in the autonomous republic, which borders on Turkey, does not worry Georgian leader Eduard Shevardnadze.

"A small number of routed Zviadista groups have penetrated Adzharia but they have had no effect on the situation in the republic and they have no support from the population," Shevardnadze told ITAR-TASS in a telephone interview on Tuesday.

"The situation in the republic remains utterly calm, normal, and does not give rise to concern," he added.

Batumi authorities told Shevardnadze last week that "certain forces are interested in destabilising the situation in the autonomous republic and try to infiltrate terrorist groups into Adzharia".

A widely-representative delegation, consisting of Vice-Premier Avtandil Margiani, State Security Service Chief Igor Georgadze and parliament member Jaba Ioseliani, was sent from Batumi to Tbilisi. Their task was to study the situation on the spot and "take necessary measures to put a stop to unlawful actions that could destabilise the situation in Adzharia and other regions of Georgia".

The delegation had "fruitful talks" with Adzharian parliament chief Aslan Abashidze, Shevardnadze told ITAR-TASS.

Adzharia is the only one of three Georgian autonomous entities, where there have been no armed conflicts. Peace in South Ossetia and Abkhazia is being restored with the aid of Russian peacekeepers.

Estonia

Foreign Minister on Signing EU Free Trade Pact

WS1807143694 Tallinn Ministry of Foreign Affairs Press Release in English 1139 GMT 18 Jul 94

[Speech by Foreign Minister Juri Luik "on the signing a free trade agreement with the European Union" in Brussels on 18 July—received via Internet E-LIST]

[Text] Excellencies, Ladies and Gentlemen, Dear Colleagues,

The Europe of today is a continent of great changes. The agreements we are about to sign now clearly demonstrate this fact.

After we regained our independence in 1991, all three Baltic states placed the restoration of our positions as European countries, in every sense of the word, at the top of our foreign policy agenda. These agreements are a strong step forward in this process.

The road to these agreements has not always been smooth. Countless meetings and discussions were held parallel to the formal and official negotiations in order to elaborate positions and dissipate threats from both sides in the area of trade liberalization. The fact that those discussions were successful is demonstrated by the content of our new agreement. We are fully convinced that our agreement is advanced in all modern understandings of trade liberalization. We believe it to be mutually beneficial as well.

On the one hand, the agreement is important for Estonia in terms of economic development. In broad terms, it promotes the further development of our young private sector and, in fact, attests to the progress we have already made in instituting a liberal trade regime. I would highlight the fact that our Free Trade Agreement will come into force next January, without a transition period for industrial products. In specific terms, the concessions we have been given in the agricultural sector are not quite as favorable as we expected, but we hope that a flexible mechanism for determining trade conditions between the concerned sides will provide the opportunity to correct these concessions step by step, in the spirit of further liberalization and reciprocity. We are, in any case, satisfied with the concessions we have been given in fisheries products. All in all, I would stay that in human terms, the Agreement we are about to sign is a source of great hope and pride among my people.

This agreement, however, does not only strengthen economic, but also political ties with the European Union [EU] on a broad range of topics and in several fora. In graphic terms, the agreement will enhance implementation of a principle we hold dear, that regarding the free movement of people, capital, goods and services.

Estonia welcomes European Commission's proposal to hold initial talks on concluding Europe Agreement already by the end of this month. We promise to do everything in our capacity to prepare the Association agreement without delay and, considering the fact that the most difficult problems of the Association Agreement have already been resolved by our Free Trade Agreement, hope that the new agreement will be ready for the signing for the end of this year.

We hope that the Free Trade Agreements between the Baltic states and the EU will also promote further cooperation among Estonia, Latvia and Lithuania.

Ladies and Gentlemen,

Association with the EU is extremely important for Estonia. It is a means to achieve one of my country's primary foreign policy goals, which is to become fully integrated into the New Europe. The logical conclusion of this process would be eventual full membership in the EU. We are confident that Association opens new dimensions for accelerating my country's path to full membership. Looking at our present situation and success we have had in transition to a free market economy, we hope to be able to fulfill all EU requirements for membership by the year 2000.

For Estonia, the essence of integration into Europe means sharing the values held dear by other European states. We believe the EU has already recognized our progress in asserting shared values when, at Corfu, your leaders attached importance, and I quote, "to the efforts made by the Baltic states to develop legal and regulatory frameworks which conform with inter alia the recommendations of the CSCE High Commissioner and of the Council of Europe" (end of quote).

But integration into Europe is also an integral component of our security policy. Any other strategy would leave our future less clear. We saw an example of what could happen recently during the G-7 meeting in Naples, during which Russian President Boris Yeltsin statement that Russia's troops would not be withdrawn from Estonian territory by 31 August, 1994. Together with the United States and European states, Estonia's diplomatic efforts at resolving this problem have been intense. We appreciate the strong statement of support regarding troop withdrawals made by EU member states at the recent summit in Corfu. I would add here that Estonia has no other demands on Russia other than that the troops go home unconditionally by the end of August. This withdrawal would create the conditions necessary to normalize relations between our two states. Normalization of relations with the Russian Federation is essential to our security, and we are convinced normalization is also in Russia's interest.

Ladies and Gentlemen,

On behalf of the Government of Estonia I would like to reiterate the significance we place on the Agreement on Free Trade in terms of helping Estonia integrate quickly into the EU. Estonia is eager to join forces with other European states toward building the New Europe

through dialogue and in an atmosphere of mutual understanding and strengthened cooperation.

Thank you.

Foreign Ministry Official To Meet Churkin in Finland

WS1807145694 Tallinn BNS in English 1439 GMT 18 Jul 94

[Text] Tallinn, Jul 18, BNS—Estonian Foreign Ministry Deputy Chancellor Raul Malk will meet Russian Deputy Foreign Minister Vitaliy Churkin July 19 in Helsinki, the Russian Foreign Ministry informed BNS.

Malk and Churkin have already met three times to find ways to sort out the countries' deadlocked relations.

According to Aleksandr Udalchov, head of the Russian Foreign Ministry's Second European Bureau, Malk and Churkin are to discuss the pullout of Russian troops from Estonia, the social guarantees for Russian retired militaries in Estonia, the dismantling of the Paldiski nuclear reactors, and the organization of the possible Russian-Estonian summit.

Meetings with Churkin were simple exchanges of ideas at first, Malk told BNS. But in the course of time they have become "more and more concrete." However, no documents have been signed this far, Malk said. The question of dismantling the Paldiski reactors, for example, needs a technical discussion. There are two Russian reactors in Paldiski, which were stopped in 1989, but have not been dismantled to date, said Malk. Russia has made certain preparations for the dismantling, and the work could be started without any special international agreements, Malk remarked. But for complete dismantling and handing the site over to Estonia, some kind of an agreement is still needed, he added.

Commenting on Boris Yeltsin's statement that Russian troops would not be drawn out of Estonia by Aug. 31, Malk termed it "controversial in a sense." Yeltsin's words were definitely controversial to those of Bill Clinton, Malk said.

At the press conference after the G-7 Naples meeting Yeltsin asserted that Russian troops would not be removed from Estonia before Aug. 31, because of human rights violations of the Russians living in Estonia.

Raul Malk welcomed Yeltsin's willingness to meet Estonian President Lennart Meri in near future. "I think that organizing this summit is currently the most important issue in Russian-Estonian relations," Malk claimed.

The Estonian side proposed a summit already in summer 1993, but President Yeltsin announced he was ready to meet President Meri only on condition that the two countries' international delegations approve the troops' withdrawal agreement first. Russia's condition to the troop pullout is that all Russian military pensioners in Estonia be granted permanent residence. The Estonian side has not consented to this.

At present there are about 2,500 Russian militaries and over 10,000 Russian military pensioners in Estonia.

Unemployment Rate Drops to 2.12 Percent

WS1807145794 Tallinn BNS in English 1439 GMT 18 Jul 94

[Text] Tallinn, July 18, BNS—On July 1, 1994, Estonia had 17,815 officially registered unemployed persons, which is 2.12 percent of the capable work force, head of the labour market info department Inge Rauba told BNS. The number of the unemployed as against June dwindled by 805, Rauba said.

The unemployment level is still highest in Narva, where the number of the unemployed (3,832 people) was 8.41 percent of the city's work force. There were 1,004 unemployed people in Polva district, or 5.3 percent of the capable population, and 1,206 people, or 5.17 percent, in the Vorumaa district.

According to Rauba, there are less unemployment problems in Tallinn (600 unemployed people, or 0.23 percent of the work force), and in the Harjumaa district (820 people, or 1.12 percent). The unemployment level is lower also in the seaside resort Parnu and the Parnu district (346 people, or 0.65 percent).

Compared to May 1, 1994, the unemployment level sank most on the Hiiumaa island (from 5.45 to 3.3 percent), and rose to the highest in the Harjumaa district (from 0.79 to 1.12 percent).

Lithuania

Landsbergis Urges Support for Estonia in Troop Pullout

LD1807163294 Vilnius Radio Vilnius Network in Lithuanian 1300 GMT 18 Jul 94

[Text] Lithuania should give stronger and more distinct support to Estonia in its demand for unconditional Russian troop withdrawal from Estonian territory by the end of August, Vytautas Landsbergis, leader of the right-wing opposition believes.

According to him, with regard to this issue the United States gave better support to Estonia when the Senate adopted an amendment to the law on Wednesday which linked economic aid to Russia with troop withdrawal from the Baltic states by 31 August.

"In this situation the role of the United States has once again become clear," Vytautas Landsbergis said at a news conference on Monday. At the same time he criticized a more cautious position adopted by the Washington administration, describing it as making a compromise with Russia's interests.

Vytautas Landsbergis linked Russia's delay in withdrawing its troops from neighboring Baltic states with Russia's intentions to return to Lithuania in the form of military transit reinforced by an agreement.

When asked about the possibility of initiating a process of indictment against the president in the Seimas for legalizing Russian military transit, the leader of the opposition said that this will indeed become necessary if any document is signed which would endanger the independence of Lithuania and violate the constitutional act on non-alliance with the post-Soviet unions and the president's oath to unreservedly strengthen the independence of Lithuania.

At the same time Vytautas Landsbergis hoped that the opposition will be able to ensure that the government refrains from signing the treaty on Russian military transit.

Having voiced his satisfaction that on this matter the right-wing opposition is also supported by the Social Democrats, Vytautas Landsbergis said that the ruling Lithuanian Democratic Labor Party has become completely politically isolated. "Perhaps now after they have painted themselves into the corner, they will stop and think," the leader of the right-wing opposition said.

Kaliningrad Corridor Issue Divides Parties

MM1807130994 Moscow IZVESTIYA in Russian 16 Jul 94 p 1

[Report by Nikolay Lashkevich: "Lithuanian Politicians Threaten To Cut Kaliningrad Off From Russia"]

[Text] Vilnius—A storm of political emotions has been caused in Lithuania by the problem of the "Kaliningrad corridor." This is the railroad linking Kaliningrad Oblast with the Russian "mainland." The delegations at the interstate talks have gotten stuck on one of the treaties currently being discussed—the treaty on military transit.

On the one hand, if we listen to Vilnius, military transit is not a big problem. In the opinion of President Brazauskas the regulations for transporting military and especially dangerous freight must be completely identical to international norms and applied to freight from all states. This kind of transit has been legalized everywhere in the world and Lithuania cannot be an exception.

What is military transit? It has been learned that Lithuania will demand the submission of applications for the movement of military transport, on whose basis passes valid on a single occasion will be issued. It is proposed that there must not be more than one military train located in Lithuania at any one time. Russia is to pay for the passage according to international rates.

But the most important thing forcing the Lithuanian authorities not to put a spoke in the wheels of Russian military transit is the granting of most-favored-trading-nation status. Russia has set the following condition: If you open the "Kaliningrad corridor," we will raise trade barriers. Trade with Russia is extremely important to Lithuania, as 40 percent of output produced in Lithuania is sold in Russia. In turn Lithuania buys around half of its raw material and energy resources from Russia, and Russia is applying a draconian 30-percent tariff to these imports.

So, an understanding on military transit suits everyone, including Russia. Whatever Moscow says, there is no complete alternative to the "Kaliningrad corridor." While agreement can be reached with Belorussia [Belarus] without problems, Poland could state even tougher conditions than Lithuania.

On the other hand, all understandings could be wrecked because of the pressure being put on the Lithuanian Government by the opposition—pressure unprecedented in recent years. Essentially only Brazauskas' party, the Democratic Labor Party, is in favor. Although it has the final say—it is in power—the ruling majority has to look over its shoulder at the opposition. Especially as many people in Lithuanian society support the opposition on this question.

Currently there is such a propagandistic uproar in Lithuania that one might think there is no political problem more important in Lithuania than the military transit problem. The matter has reached the point where a demonstration of several thousand people headed by Seimas members passed along the central street in Vilnius.

The opposition claims that military transit is a "new wave of Russian expansion in Lithuania" and that it "is drawing Lithuania into the post-Soviet structures of the CIS." The people are afraid that Russia is creating a bridgehead for itself to repeat the events of 1939-1940. Thus a very serious political situation has developed, and if the government gives in to opposition demands the way to Kaliningrad by railroad will be cut off.

BULK RATE
U.S. POSTAGE
PAID
PERMIT NO. 352
MERRIFIELD, VA.

This is a U.S. Government publication. Its contents in no way represent the policies, views, or attitudes of the U.S. Government. Users of this publication may cite FBIS or JPRS provided they do so in a manner clearly identifying them as the secondary source.

Foreign Broadcast Information Service (FBIS) and Joint Publications Research Service (JPRS) publications contain political, military, economic, environmental, and sociological news, commentary, and other information, as well as scientific and technical data and reports. All information has been obtained from foreign radio and television broadcasts, news agency transmissions, newspapers, books, and periodicals. Items generally are processed from the first or best available sources. It should not be inferred that they have been disseminated only in the medium, in the language, or to the area indicated. Items from foreign language sources are translated; those from English-language sources are transcribed. Except for excluding certain diacritics, FBIS renders personal names and place-names in accordance with the romanization systems approved for U.S. Government publications by the U.S. Board of Geographic Names.

Headlines, editorial reports, and material enclosed in brackets [ ] are supplied by FBIS/JPRS. Processing indicators such as [Text] or [Excerpts] in the first line of each item indicate how the information was processed from the original. Unfamiliar names rendered phonetically are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear from the original source but have been supplied as appropriate to the context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by the source. Passages in boldface or italics are as published.

SUBSCRIPTION/PROCUREMENT INFORMATION

The FBIS DAILY REPORT contains current news and information and is published Monday through Friday in eight volumes: China, East Europe, Central Eurasia, East Asia, Near East & South Asia, Sub-Saharan Africa, Latin America, and West Europe. Supplements to the DAILY REPORTs may also be available periodically and will be distributed to regular DAILY REPORT subscribers. JPRS publications, which include approximately 50 regional, worldwide, and topical reports, generally contain less time-sensitive information and are published periodically.

Current DAILY REPORTs and JPRS publications are listed in *Government Reports Announcements* issued semimonthly by the National Technical Information Service (NTIS), 5285 Port Royal Road, Springfield, Virginia 22161 and the *Monthly Catalog of U.S. Government Publications* issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

The public may subscribe to either hardcover or microfiche versions of the DAILY REPORTs and JPRS publications through NTIS at the above address or by calling (703) 487-4630. Subscription rates will be provided by NTIS upon request. Subscriptions are available outside the United States from NTIS or appointed foreign dealers. New subscribers should expect a 30-day delay in receipt of the first issue.

U.S. Government offices may obtain subscriptions to the DAILY REPORTs or JPRS publications (hardcover or microfiche) at no charge through their sponsoring organizations. For additional information or assistance, call FBIS, (202) 338-6735,or write to P.O. Box 2604, Washington, D.C. 20013. Department of Defense consumers are required to submit requests through appropriate command validation channels to DIA, RTS-2C, Washington, D.C. 20301. (Telephone: (202) 373-3771, Autovon: 243-3771.)

Back issues or single copies of the DAILY REPORTs and JPRS publications are not available. Both the DAILY REPORTs and the JPRS publications are on file for public reference at the Library of Congress and at many Federal Depository Libraries. Reference copies may also be seen at many public and university libraries throughout the United States.